FIFTH REPORT

FROM

THE SELECT COMMITTEE

ON

INDIAN TERRITORIES;

TOGETHER WITH THE

PROCEEDINGS OF THE COMMITTEE,

MINUTES OF EVIDENCE,

AND APPENDIX.

[COMMUNICATED FROM THE COMMONS TO THE LORDS.]

Ordered to be printed 3d June 1853.

(224.—V.)

UNIV. OF CALIFORNIA
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Lunæ, 15° *die Novembris*, 1852.

Ordered, THAT a Select Committee be appointed to inquire into the Operation of the Act 3 & 4 Will. 4, c. 85, for effecting an Arrangement with the East India Company, and for the better Government of Her Majesty's Indian Territories till the 30th day of April 1854.

Martis, 16° *die Novembris*, 1852.

Committee nominated, of—

Mr. Herries.
Mr. Chancellor of the Exchequer.
Lord John Russell.
Mr. Baring.
Sir Charles Wood.
Mr. Baillie.
Mr. Gladstone.
Mr. Newdegate.
Mr. Labouchere.
Sir James Graham.
Mr. Alderman Thompson.
Sir William Molesworth.
Sir Robert Harry Inglis.
Viscount Jocelyn.
Mr. Cobden.
Mr. Hardinge.
Mr. Milner Gibson.
Mr. Mangles.
Sir James Hogg.
Mr. Hume.
Mr. Bankes.
Mr. Vernon Smith.
Mr. Robert Hildyard.
Mr. James Wilson.
Mr. Spooner.
Mr. Keogh.
Mr. Macaulay.
Lord Stanley.
Mr. Robert Clive.
Mr. Edward Ellice.
Viscount Palmerston.

Ordered, THAT the Committee have power to send for Persons, Papers, and Records.

Ordered, THAT Five be the Quorum of the said Committee.

Veneris, 18° *die Februarii*, 1853.

Ordered, THAT Mr. Wilson be discharged from further attendance on the Committee, and that Lord John Russell, Sir Charles Wood, Sir George Grey, Sir Thomas Maddock, Mr. Chichester Fortescue, Mr. Cardwell, Mr. John Elliot, and Mr. Lowe be added thereto.

Martis, 22° *die Februarii*, 1853.

Ordered, THAT Mr. Chichester Fortescue be discharged from further attendance on the Committee, and that Mr. John Fitzgerald be added thereto.

Jovis, 28° *die Aprilis*, 1853.

Ordered, THAT the Committee have power to report the Minutes of Evidence taken before them, from time to time, to The House.

Lunæ, 2° *die Maii*, 1853.

Ordered, THAT the Report of the Select Committee on Indian Territories of last Session, and copy of the Report of the Select Committee of the House of Lords on the same subject (communicated 1st December) be referred to the Committee.

REPORT - - - - - - - - - p. iii
MINUTES OF EVIDENCE - - - - - p. 1
APPENDIX - - - - - - - - - - - - p. 102

FIFTH REPORT.

THE SELECT COMMITTEE appointed to inquire into the Operation of the Act 3 & 4 Will. 4, c. 85, for effecting an Arrangement with the East India Company, and for the better Government of Her Majesty's Indian Territories till the 30th day of April 1854, and to whom several Petitions, and the Report of the Committee on Indian Territories of last Session, and also the Report of the Committee of the House of Lords on the same subject, were referred, and who were empowered to Report the Minutes of Evidence taken before them, from time to time, to The House:

HAVE made further progress in the Matters to them referred, and have agreed to make a Fifth Report of the Minutes of Evidence taken before them.

14 *July* 1853.

356365

PROCEEDINGS OF THE COMMITTEE.

Jovis, 30° *die Junii*, 1853.

MEMBERS PRESENT:

Mr. THOMAS BARING in the Chair.

Mr. Hardinge.
Sir T. H. Maddock.
Mr. Mangles.
Sir C. Wood.
Mr. Herries.
Mr. Ellice.
Mr. Elliot.
Sir George Grey.
Mr. Hume.
Sir J. W. Hogg.
Mr. Lowe.

Mr. *Jefferies* examined.

[Adjourned till Monday next, at Quarter before One.

Lunæ, 4° *die Julii*, 1853.

MEMBERS PRESENT:

Mr. THOMAS BARING in the Chair.

Sir J. W. Hogg.
Sir T. H. Maddock.
Mr. Elliot.
Sir George Grey.
Mr. Mangles.
Mr. Hume.
Mr. Newdegate.
Mr. Lowe.
Mr. Spooner.
Mr. R. H. Clive.
Mr. Hardinge.
Mr. Vernon Smith.
Mr. Bankes.
Mr. Ellice.
Viscount Jocelyn.
Sir C. Wood.

Mr. *Finlay* examined.

Mr. *Gladstone* examined.

[Adjourned till Thursday next, at Quarter before One.

Jovis, 7° *die Julii*, 1853.

MEMBERS PRESENT:

Mr. THOMAS BARING in the Chair.

Mr. Spooner.
Mr. Vernon Smith.
Mr. Herries.
Mr. Newdegate.
Mr. Ellice.
Sir T. H. Maddock.
Sir George Grey.
Mr. Lowe.
Sir R. H. Inglis.
Mr. Hardinge.
Mr. Mangles.
Mr. Elliot.
Sir J. W. Hogg.
Sir C. Wood.
Mr. R. H. Clive.
Mr. Hume.
Mr. Bankes.
Viscount Jocelyn.

Sir *Charles Trevelyan*, K.C.B., further examined.

Motion made (Mr. *Hume*) and question proposed, "That it is expedient to inquire by whom, and at what time, the orders for commencing the war against the Affghans were given, and the date when the despatches respecting the origin and progress of that war were laid before the Court of Directors, for their information."

Amendment

Amendment proposed (Sir *George Grey*), To leave out all the words after "That," and to insert the words, "Whilst this Committee feel it their duty to require the fullest information as to the expenditure incurred on account of recent wars in India, they do not consider themselves competent to inquire into the policy of such wars, which can only be undertaken on the responsibility of the Government."

Question, "That the words proposed to be left out stand part of the question," put.

Committee divided :—

Ayes, 3.	Noes, 12.
Sir R. H. Inglis.	Mr. Herries.
Mr. Hume.	Sir C. Wood.
Mr. Bankes.	Mr. Elliot.
	Sir T. H. Maddock.
	Sir George Grey.
	Viscount Jocelyn.
	Mr. Hardinge.
	Sir J. W. Hogg.
	Mr. Vernon Smith.
	Mr. Lowe.
	Mr. R. H. Clive.
	Mr. Ellice.

Words left out.

Question, "That the proposed words be there inserted," put.

Committee divided :—

Ayes, 12.	Noes, 3.
Mr. Herries.	Sir R. H. Inglis.
Sir C. Wood.	Mr. Hume.
Mr. Elliot.	Mr. Bankes.
Sir T. H. Maddock.	
Sir George Grey.	
Viscount Jocelyn.	
Mr. Hardinge.	
Sir J. W. Hogg.	
Mr. Vernon Smith.	
Mr. Lowe.	
Mr. R. H. Clive.	
Mr. Ellice.	

Proposed words inserted.

Main question, as amended, put, and agreed to.

Resolved,—"That whilst this Committee feel it their duty to require the fullest information as to the expenditure incurred on account of recent wars in India, they do not consider themselves competent to inquire into the policy of such wars, which can only be undertaken on the responsibility of the Government."

[Adjourned till Monday next, Quarter before One.

Lunæ, 11° *die Julii*, 1853.

MEMBERS PRESENT:

Mr. THOMAS BARING in the Chair.

Mr. Hume.	Sir T. H. Maddock.
Mr. Hardinge.	Mr. Elliot.
Mr. Spooner.	Sir J. W. Hogg.
Mr. Ellice.	Mr. Lowe.
Sir C. Wood.	Mr. Newdegate.

Mr. *Peacock* examined.

Mr. *Chapman* examined.

[Adjourned till Thursday next, at Quarter before One.

Jovis, 14° *die Julii*, 1853.

MEMBERS PRESENT:

Mr. THOMAS BARING in the Chair.

Sir J. W. Hogg.
Sir T. H. Maddock.
Mr. Vernon Smith.
Mr. Ellice.
Mr. Spooner.
Mr. Mangles.
Sir C. Wood.
Mr. Hardinge.

Mr. *J. C. Melvill* further examined.

Mr. *Macpherson* examined.

The Chairman was instructed to make a further Report of the Evidence to this day (Fifth Report).

[Adjourned till Monday next, at Quarter before One.

LIST OF WITNESSES.

Jovis, 30° *die Junii*, 1853.

Julius Jeffreys, Esq. - - - - - - - p. 1

Lunæ, 4° *die Julii*, 1853.

Alexander Struthers Finlay, Esq. - - - - - p. 11
Murray Gladstone, Esq. - - - - - - p. 33

Jovis, 7° *die Julii*, 1853.

Sir Charles Edward Trevelyan, K. C. B. - - - - p. 40

Lunæ, 11° *die Julii*, 1853.

Thomas Love Peacock, Esq. - - - - - p. 52
John Chapman, Esq. - - - - - - - p. 66

Jovis, 14° *die Julii*, 1853.

James Cosmo Melvill, Esq. - - - - - - p. 75
George Gordon Macpherson, Esq. - - - - p. 90

MINUTES OF EVIDENCE.

Jovis, 30° *die Junii*, 1853.

MEMBERS PRESENT.

Mr. Baring.
Mr. Elliot.
Sir George Grey.
Mr. Mangles.
Sir Charles Wood.
Mr. Herries.
Mr. Lowe.
Sir J. H. Maddock.
Mr. Hardinge.
Mr. Labouchere.
Mr. Ellice.
Mr. Hume.
Sir J. W. Hogg.

THOMAS BARING, Esq., in the Chair.

Julius Jeffreys, Esq., called in; and Examined.

J. Jeffreys, Esq.

30 June 1853.

7677. *Chairman.*] YOU are aware that a petition was presented from the Liverpool East India and China Association to the House of Commons, which has been referred to this Committee; I believe you were requested by Mr. George Malcolm, the Deputy Chairman, to appear before the Committee, in answer to the invitation of the Committee to send some witnesses before it?—I had a communication from the East India Association, and met the committee on two occasions on the subject, and was then requested to appear before this Committee.

7678. Will you state to the Committee in what capacity you were in India, and when?—I went to India on the Bengal Medical Service. I was employed chiefly as a civil surgeon during my service, though I also served in the military department at three or four different stations. My chief residence, as a civil surgeon, was at Furruckabad.

7679. You were a covenanted servant of the Company?—I was. I went out to India, and sought occupation in India, with the desire of endeavouring to apply to the improvement of the arts in India the science of Europe, to which I had somewhat attentively devoted myself in my studies. I always kept it in view to study the character of the people of India, and to ascertain the causes of their depressed condition. Among other curious facts connected with India, a considerable amount of civilisation and manufacturing progress seems to have taken place in times long gone by; but at that point the people seem to have been stationary, along with most other Asiatics, and to have made no progress whatever since.

7680. When did you go to India?—I went to India in the year 1822.

7681. How long did you remain there?—I staid in India 12 years. I may say that my occupation in India had more than usual intensity, if I may use the expression; for during the whole time I was very earnestly occupied, which led to undertakings that I had never contemplated in the first instance. I was engaged in various manufactories, which led me to employ, for a series of years, from 500 to 1,000 natives, and I have had indirectly in my employment many more; those men being of all castes among the Hindoos, and all classes among the Mahomedans.

7682. To what description of manufactures do you refer?—I commenced by an endeavour to establish a basis for the metallurgic arts. That was what led to my

J. Jeffreys, Esq.

30 June 1853.

my operations. The first work which I established was an extensive mineral water manufactory, which I was persuaded could be profitably founded, upon a discovery I had made. I found that in India, and I believe it is the case nearly throughout Asia, a proper furnace does not exist; it is not in their power to fuse iron, nor cast brass, on any large scale. Their large cannons are all cast in a great number of petty furnaces, in each of which they melt a small pot-full of brass, and a multitude of men run together and pour it into various holes in the mould. In fact, the metallurgic arts were in the lowest state. Iron they cannot melt; brass they cannot rightly manage, and I saw that it was a matter of the first importance, both to the metallurgic and chemical arts, to introduce the construction of good furnaces. With a considerable expenditure of effort and money I succeeded in producing what may seem an insignificant matter, but which is everything as regards the basis of the arts, a true fire brick. Possessing that, I had a starting point from which to work. The natives have no proper glass, and no vessels of any kind which are not porous; even their spirits they are obliged to keep in earthenware vessels, greased, to give them a degree of closeness. I established, also, a manufacture of stoneware; I established the means of making sound glass; I found a material with which it might be made with great advantage to the people of India, and also to the people of England. I also established the manufacture of oil of vitriol in Western India, and of soda; I was obliged to be my own engineer in the construction of machinery of different kinds. This led to my teaching the natives a variety of arts, and to my employment of a great many of them. I subsequently was led to establish a large saltpetre refinery. All those undertakings gave me an opportunity of studying the character of the natives, and the condition of the people. I was then led on to make inquiries into the agriculture, especially into irrigation, and their means of communication, and also into the manner in which the land revenue pressed upon the people of the country. With respect to the want of communication, I suffered myself so much from the imperfect means of communication in India, that it was one, among various fields of inquiry, which I directed my attention to, and I came to the conviction that the want of the means of locomotion was one among the causes of the great depression of the people, especially in the poorer districts.

7683. Mr. *Hardinge*.] What part of the country are you speaking of?—Throughout Hindostan. At an early date I tried to impress upon the minds of persons of influence the necessity of constructing in the first place canals, which should jointly be canals for navigation and for irrigation, inasmuch as both operations would bear a proportion of the expense, and also employing them for navigation would ensure their being more healthy. The canal must be kept full of water for navigation, and also pretty free from weeds, and that would do away with one of the objections which has been urged with some plausibility against canals for irrigation, that they are liable to run very low, and expose a slimy bed of mud, thereby engendering fever, especially hurtful to Europeans. I might say by the way, that I cannot see why those canals should necessarily run close to the stations in which the army is cantoned; what would be very destructive to the European constitution, and curiously enough to a considerable degree to our native army, would be borne very well by the native peasantry. In my opinion it would be better to make the canals four or five miles off from where the troops are cantoned; those views were set forth in different writings, and I was in frequent communication with the Government. I had communications with Lord William Bentinck, who was good enough to give me frequent interviews, and to correspond with me by letter. My convictions are, that the first great want of India is canals for navigation and irrigation, and next roads; for roads in some parts of India nature affords material, but in a large portion of the Presidency of Bengal, it must be admitted, great difficulty exists in procuring material. I know, over the plains of Hindostan proper, and Western India, of only two kinds of material which offer themselves for the purpose; one is the scanty limestone, which is found here and there on the surface, but which, generally speaking, you must dig out of the soil; the other is clay burnt into bricks, or into tubes, which would be the better form, and then crushed to make roads of. That absence of material certainly does present a formidable difficulty to the construction of roads in many parts of India. I am not speaking here of the more hilly districts, but I speak of the plain of Bengal, Western India, of Delhi and Agra, and the district of Rohilcund;

J. Jeffreys, Esq.

30 June 1853.

cund; in fact, of nearly the whole of the presidency of Bengal, except in the vicinity of the Rajmahal Hills, and some of the hills further to the south, and also the vicinity of the Himalayas, and the beds of the rivers just where they pass out of the hills, and bring down with them a large quantity of coarse rubble, which would be, no doubt, very useful. Generally speaking, it must be admitted that difficulties exist; and looking to those difficulties, I should have been very glad to have seen a plan adopted of constructing tramroads as an intermediate step between the construction of new roads and the construction of railways.

7684. You returned to England about the year 1835?—I did.

7685. Are you aware of all that has been done since that time?—I am. At the time of the renewal of the last charter, the views I had been led to form from what I had seen of India, and from having endeavoured to study pretty closely the state of the country, induced me to hazard an opinion which was contrary to that which was generally entertained. I remember having a conversation with Mr. Macaulay at the Government House in Calcutta, who was very sanguine that the provisions of the late charter would lead to the development of the resources of India in various ways, and mainly by the introduction of European skill and capital. I remember saying then, I believed, if we lived to see it, we should find at the end of that period of time, which has now come, matters would be as nearly as could be *in statu quo*; and so I believe they actually are, with the exception of what the Government has done in some measure towards improving the means of traffic. With respect to tramroads, I am glad to find that Mr. Finlay, who is a gentleman of considerable experience connected with Bombay, entertains the same view that I do; indeed, I had the same opinion myself, and he mentioned it to me as being his own. By constructing tramroads, you greatly facilitate, of course, the power of traction of a bullock; you get rid of the difficulty of finding hard material for the roads, while you save most of the prodigious expense which must be incurred in constructing and keeping up railways. Looking to what the expense of fuel in India will always be, to what the wear and tear of the machinery in that climate will be, and to the difficulty on such a soil of keeping up your roadway in the manner in which it must be kept up upon railways, I venture to predict that the guarantee which the Government has made of 4 or 5 per cent. it will always have to pay. Desirable as railways may be for India, and very desirable they are if the Government can bear the expense, the Government will really have to bear the expense; and if they cover their working charges, it is my belief that that is all which will be gained.

7686. Would you wish those tramways to be constructed by the Government?—My opinion is, that all the great works in India must be directly or indirectly done by the Government. It behoves them to do it out of the revenues of India, and to find the means of doing it; in the end, if they do not do it directly, they must do it indirectly by guarantees, the question being, whether it would be done more economically in that way or not.

7687. Mr. *Elliot*.] Do you propose to have wooden tramways?—No; I would lay them down with iron rails.

7688. On sleepers?—Yes; whether any means of kyanizing would make wood in India proof against the white ant, I doubt; but even if the rails were laid on sleepers liable to decay, there would not be the same danger attendant upon their giving way as there would be upon a railway. First of all, canals for irrigation and navigation, I consider to be a matter of primary importance. As many persons have borne witness, it is impossible to exaggerate the importance of irrigation. But while canals are of so much importance, and tanks too, I believe it will be found that nearly a moiety of the Indian territory will have to be irrigated by wells. I do not know that I could condense what I have to say on this subject better than in the closing paragraphs of some papers I wrote 20 years ago. "In her Eastern conquests, Britain has assumed, unasked, the position and responsibilities of the political guardianship of India, the duties of which, being those of highly civilised rulers towards a barbarous people, are far more extensive than the functions of any European Government. Although the word 'Government' may be the only term applicable to the supreme power in each case, it must not be supposed that, by employing the same term, the greater moral responsibilities of that of India can be escaped. The interests of the Government, as well as of the people, do indeed call for the commencement of a system

J. Jeffreys, Esq.

30 June 1853.

of suitable interference and paternal guidance on its part, in which no measure need be had recourse to at all offensive to the people. On the contrary, the very measure suited to the objects in view would have an air of benevolence on the part of the Government, at present incredible by the people, and would by degrees transform a fearful disaffection in the hearts of millions into a self-interested and loyal attachment to the Government, desirable for the security and happiness of all. As the agriculture of the country became relieved of a large part of the crowd resting upon it, a portion should receive instruction in the various useful arts of life while a portion of them, and that not a small one, together with their sustenance (no longer needing their aid in raising it), might then most justly be claimed by a Government so beneficent, as the means of strengthening its arm in the country, and of supplying produce for paying its charges without. With their fertility increased, the heaviest of the expenses of cultivation reduced, and the readiest means afforded for the exportation of their produce, the rent of the distant provinces of the country might, after leaving to the landowners half of the benefits, be raised to an amount almost incredible at present. What are now among the poorest parts of the country would become the richest, and could not fail of yielding many times the rent now obtained from them. The period of retrenchment in the public expenses is remarkably favourable for commencing great works, especially such as will facilitate the transportation of produce; for, in order to recover the funds expended, the taxation need not then be raised, since what would have been lost by the revenue declining from retrenchment, without other local expenditure, is saved by expenditure on such works which is sure to keep the revenue up to its full standard. Such appears to be the legitimate purpose to which to devote, at present, funds resulting from retrenchments. To employ them towards liquidating the debt of India, payable at a vast distance from the source of much of them, and thus to divert them from the prior object of enabling the produce of the provinces to follow its money representative, and of increasing the quantity of produce, does not appear expedient. It is like attempting with seed corn to satisfy a demand, which would prove trifling after the harvest. It is to be feared that, at present, no considerable part of the revenues of India is likely to be devoted to the purposes recommended. So long, however, as the Government shall not again, like an Indian devotee, tie its own hands up with a permanent settlement in Western India, the means will still remain in its power for commencing that movement, to which alone we can look for any advancement of the people towards a state of prosperity, and any increase in the revenues of the Government: not a movement, indeed, of armies, for the territorial enlargement of British India, but of mind, for the enlargement of her resources; not an increase of superficies, but of solidity; not an acquisition of more land, but a deeper cultivation of that we possess; a drawing of more produce from the surface of India, and more minerals from its bowels; not a heaping of people upon people, but a judicious distribution of those we have; a transfer of millions at present jammed in the agrarian crowd to all other pursuits of civilised men; a portion of them to the service of the State." It is that jamming of multitudes of the population in upon agriculture that I humbly conceive to be the great point which the Government has to look to. A vast number of people are crowded upon agriculture, and every day disposed to crowd themselves still more upon it. I believe that as it is now collected, the Government land rent presses with very great weight upon the people, not so much on account of its amount, as from the manner in which it is collected, and from the absence of what, I believe, a native of India absolutely requires for developing his powers. I do not think, and I speak now from trials which I have made of the native industry in various ways, a simple remission of the tax upon the land in the hands of the people would issue in the good which many of the friends of India expect. At first the people would appear to be eased, but in a very short time the zemindar's relations and friends would come in upon them; men who have been out as chokiedars, or otherwise employed; they would come back to the paternal home; his door would always be open, and as long as he could feed those idlers he would do so. That is one way in which good would not result to the people. Another case is this: the bulk of the zemindars are not hoarders, but, here and there, there is a man who is a hoarder for religious reasons; and if he begins to be a hoarder, he will not spend one shilling more upon cultivation. I have never been able to witness that they have extended their wants, or that they have improved their cultivation,

J. Jeffreys, Esq.

30 June 1853.

cultivation, by being in easy circumstances. All this, I believe, must be the work of the Government; and no matter whether you derive much or little from the people, without such works I believe they will be in a very grievous case in the end, and it is difficult to say what calamities will be the result, if you draw from the people of India a large revenue, and leave them to their own unaided operations.

7689. The petition states, "That your petitioners consider that the land tax, or rent paid by the cultivators of the soil in all parts of India is excessive." What you have just stated leads the Committee to believe that you do not consider it excessive?—Had I a part in drawing up that petition, I certainly should have demurred to that expression.

7690. The grievance you refer to is the social condition of India?—The grievance is the social condition of the people, I think, arising out of the neglect of the Government.

7691. In what way has the neglect of the Government been manifested?—The people cannot go on in a prosperous course unless their operations are looked to; you will see wells in many parts of India, constructed, I believe, in the days of Akbar, and large tracts of country out of cultivation, which in some cases, I believe, on historical grounds, were assessed very highly, and used to yield considerable revenue to Akbar and his descendants. There are many tracts now out of cultivation, the land being covered with jungle. I have spoken to the natives occupying those parts of the country, and they have said the ancient sirkar always made them advances; and that the man who took the rent was the man who must carry out improvements. There is no spirit or pride among the people to do it themselves.

7692. What part of the country are you speaking of?—Bundlecund.

7693. What measures do you think the Government ought to take?—I think that as the Government must construct canals for irrigation, so they must be pleased to leave their English notions behind them, and appoint a department of agriculture. I think there should be a minister of agriculture for India, a department to look to the drawing forth of the resources of the soil.

7694. Sir *G. Grey*.] What measures could the minister of agriculture in India take to remedy the evils you have pointed out?—He would find that the land has gradually lapsed into a state of defective cultivation from the wells falling, in consequence of their being imperfectly made. There are parts of the country where the subsoil requires that there should be some masonry in the well, and from that not being introduced, he would find the land falling out of cultivation, or yielding a very small produce.

7695. What would the minister of agriculture do under those circumstances?—Instead of remitting the revenue, he would assess the land to the extent that it would bear, and he must have advances made and devoted to the re-construction of the works which had gone out of use.

7696. Do you mean that the Government should make advances of money for the purpose of restoring those works?—Yes; if it does not do so, all that can be said is, that the revenue will decline. I believe a commission appointed for the purpose would find that the distress of India proceeds from that source.

7697. Mr. *Mangles*.] You left the North-western Provinces, I think, before Mr. Bird's settlement came into operation?—Yes.

7698. Have you any knowledge of the results of that settlement; do you know that it has been stated in evidence here that the cultivation has enormously increased?—These have been times, nearly all of them, of war, which has drawn a large portion of our army westward, and there has been an immense expenditure of revenue in the country. That fact is really a very notable and important one. I believe the distress of India will be found greatly to arise from our drawing a revenue from a district which has no means of locomotion for the produce. If you take that into account, you will find that a very great source of local prosperity has been the vast sums which have been spent in Western India, amounting to millions upon millions, which were not spent before.

7699. Mr. *Elliot*.] Do not you consider that Bundlecund is almost an exceptional case of distress, as regards the cultivation of the soil?—I think it is.

7700. It arose in the first instance, did not it, from a very injudicious settlement made some years ago, by which the country was very much oppressed?—It arose long before that. When Mr. —— went there, he found that a considerable portion of the country had long since fallen out of cultivation in the Mahratta

J. Jeffreys, Esq.

30 June 1853.

ratta and Pindaree times. The difficulty in Bundelcund is this. It acquires a certain amount of masonry work for the wells; it is a fine surface soil, and there is water enough below, but a common clay well will not do. In the parts of the country where a common clay well suffices, which is the case in the Western Provinces of India generally, it requires no enterprise on the part of the natives to carry it out. The well is dug for 1 *s.* 6 *d.*, and it lasts for several years. But, looking to the work of irrigation, in those different wells to which I have referred, the waste of labour is quite surprising. If you examine the rope, and the wheel over which the pulley is drawn, you will find a loss of labour and a loss of power which are quite deplorable. You may remonstrate with the native as long as you please, but he will not alter it. In the construction of the well, too, in the first instance, there is a great amount of lost labour; the well cannot be carried down below a certain depth, because the water, under the system pursued, overcomes the cultivator. Then in a season of drought the well is exhausted from not being deeper, and serious evil consequences follow. To support what I have been stating, I find, on reference to ancient Persian documents, it is again and again repeated, that the parties managing the revenue shall make advances to the cultivators, and that they shall look to it that the lands are severally cultivated, it being a matter of indispensable duty on their part to do so. A dozen paragraphs may be met with in their early writings, particularly dwelling upon the necessity of the sirkar doing those things.

7701. Sir *G. Grey.*] Do you mean that advances should be made by the Government, and that the Government having made advances to the natives, should compel them to restore those works and cultivate the land in the manner which the Government thinks proper?—The Government should do this: it should make those advances, requiring that different operations of husbandry should be carried on.

7702. You mean that the Government should prescribe the mode of agricultural cultivation, and should enforce compliance with that mode?—Where the Government is fully satisfied that the mode of agriculture would be thereby greatly improved, I should say so. You may see 1,000 wells in India with a common block of wood with an iron pin through it. It is not turned as a cylinder, and from the arrangements, the loss of work by friction amounts to 10 or 20 or even 30 per cent.

7703. Mr. *Ellice.*] Your answer would suggest that the Government should find the means for the improvement of the cultivation of the whole country. From what source would those means be derived?—On each plot of ground; from that very plot of ground.

7704. Sir *T. H. Maddock.*] The advances you are speaking of are those called tuckavy?—Yes.

7705. When you were in Bundelcund, and in the North-western Provinces, was not the advance of tuckavy an ordinary operation on the part of the officers of the Government?—The Government had no department of agriculture to see that that money was devoted to the purpose.

7706. The tuckavy was advanced for some particular purpose, was not it?—I never heard of there being any department to see that the money was devoted to the purpose for which it was advanced.

7707. By whose sanction was it advanced?—I presume it was advanced by the Government.

7708. You mean the collector, probably?—Yes, by the collector, as agent of the Government.

7709. And that was done for the purpose of buying seed grain, for the purpose of buying bullocks, and perhaps for the purpose of digging and improving wells, was not it?—I dare say, wherever it has been done, for that purpose; but you have no department to see that it is carried out.

7710. The Committee is to understand that advances were made at the period when you were in India, but that they were not made under the control and superintendence of some department?—They have been very scantily made. I should conceive nothing to compare with what the Indian native governments used to do; hence their former prosperity. I have no doubt they derived a much larger revenue from the country than we do, and with less distress to the people. Advances have been made very scantily by us; and so far as I am aware, there has been no department to see that they were devoted to the purposes proposed.

7711. Have

J. Jeffreys, Esq.

30 June 1853.

7711. Have you visited the iron mines of Bundelcund?—No.

7712. Have you visited the iron and copper mines in Almorah?—No.

7713. Then you are not in a position to give any opinion to the Committee whether those mines may be advantageously worked by Europeans individually, or by companies?—I should conceive that a company could not work the iron mines in Gurhwal with advantage.

7714. I think you mentioned that the natives of India are incapable of casting iron?—Yes.

7715. Are you aware whether, when you were in the North-western Provinces, shot and shells were not cast by Captain Presgrave in that neighbourhood?—His means of doing so were English imported fire-bricks; it was done, but done in a very different way from what any founder in England would think to be satisfactory. The Government engineers, if they choose, certainly, can cast iron; but their means are English imported fire-bricks.

7716. Are you aware that while you were in India iron was dug out of the earth in the Saugor district, to the south of Bundelcund, and from that iron a suspension bridge, of 200 feet in length, was constructed, and cast over the river?—That may have been the case without casting; smelting iron and casting are perfectly different things; the natives smelt iron in a rude and expensive way; there is no iron better than it. Smelting and casting iron are entirely different things; a very moderate heat will suffice, if you have sufficient fluxes to reduce the ore, and then bring it into a malleable condition.

7717. *Chairman.*] The remarks you have made are explanatory of the views of the association whom you represent, as respects the change of the system of land revenue. The next paragraph of that petition refers to the practice of making advances of money in India upon the consignment of produce to this country for sale; are you prepared to corroborate that statement?—I am not.

7718. The next statement of the petition relates to the currency in India; have you anything to state to the Committee upon that subject?—My own experience has led me to feel the great want of a concentrated currency of gold, as well as of silver; for the Government it seems to be of primary importance. Any person who is acquainted with the collection of the revenue in Western India must know, that a number of the districts yield a revenue, of which very little is expended in the district; the greater portion the Government has to carry away, and there are in consequence requisitions for the use of the military for treasure parties; there may be seen 100 bullock carts, laden with silver, which is continually being carried away from these districts.

7719. What are the practical suggestions which you have to make on that subject?—The Government have all the means of protecting such a large quantity of silver in carrying it out of the district year by year, but the native who has to bring back an equivalent has not those means; it is very plain that where there are no mines of silver and gold, the district will by these means be emptied of its revenues; hence the danger of decoity, and the risk of insurance, and so on, in carrying the silver back.

7720. What practical suggestion would you make to remedy the evils which you have mentioned?—To establish a gold standard, as well as a silver standard. In my operations I have repeatedly had to send from 500 to 1,000 rupees in all directions, and I was in constant alarm lest the persons who carried it forth should be robbed and murdered; the men had to tie a considerable amount of silver round their waists. Had I had gold, it would have been exceedingly convenient to me, and an improvement to my business. Further, it would increase the means of the zemindar to pay his rent. In many districts the poverty of the people, and the distress, consists in the difficulty of selling the grain which is to yield the rent; it amounts to a very serious question at various times.

7721. The remedy you would suggest would be to make gold as well as silver a legal tender?—Yes.

7722. The next two paragraphs in the petition are with regard to the system of justice and police. Since you left India, you are aware there have been considerable changes made in those particulars; do you wish to state anything to the Committee on that subject?—I was so particularly requested by the committee whom I represent to speak on that subject, that I should wish to make some suggestions. At the renewal of the late charter, the reasons I had for entertaining the opinion that British skill, enterprise, and capital would not enter

J. Jeffreys, Esq.

30 June 1830.

India were these, and I feel bound to state them, however unsatisfactory they may be to the ears of some. I have had many relations and many friends in the civil service of India, and I have a high opinion of it; but I must think that they are so overpowered with work for the most part, bearing in mind that the men are often unfitted by the state of their health for the correct performance of their duties, that a great part of the work must be only nominally done; consequently the state of the administration of justice is such, that I could not recommend to any man who respects his honour, his character, or his English feelings, to place himself in the mofussil in India; and I would wish to know how it is, or how it should be the case, that a British subject, while he enjoys in every other part of Her Majesty's dominions the privileges of trial by jury, protection by the Habeas Corpus Act, and a public opinion through the public press, should on going into the interior of India be cut off from all those advantages, and made subject to the jurisdiction of the native courts.

7723. You say he has not the right of *habeas corpus*; is his person not secure? —I should say, from what I have seen of the courts in several of the districts in the mofussil, that man must be very fond of seeking money who would place himself in such a district, and be under the necessity of standing as a petitioner at the bar of such a court, and be subjected to what he might be subjected to, and what he would be subjected to, if the judge, as is the case in many instances, were a Mahomedan.

7724. Mr. *Ellice*.] Is it your opinion that the administration of justice in India should be conducted exclusively with a view to the interests of the settlers who may be there, and not with a view to the general interests of the great mass of the inhabitants of India?—Certainly not; but this I will say, it behoves the British Government to give to the natives of India the best civil government which the means of the Government admit of; it also behoves, not the Government of India only, but the people of England, to demand that a British settler in India shall be a free man there, as he is in England.

7725. Sir *George Grey*.] Would you confine the administration of justice exclusively to Englishmen, and deprive the natives of any share in that administration?—The question with respect to the employment of the natives opens up a distinct subject of inquiry.

7726. I understand you to complain of the insecurity which attaches to an Englishman settling in India by the circumstance of justice being administered by natives; does the better system of administration which the petitioners in that petition desire to see established, include the exclusive administration of justice by Englishmen?—I think I had the opportunity of influencing the minds of some gentlemen who were connected with the Indian Association and the Chamber of Commerce at Liverpool on that subject. My own belief is this, that for the good of India, as well as for our own interests (for I venture again to predict that at the end of 20 years, as far as the entry of Europeans into the interior is concerned, it will not otherwise be found to have extended), the employment should be confined as much as possible to British subjects, and their number should be greatly increased.

7727. I observe in the petition the following passage: "Your petitioners humbly invite the serious consideration of your Honourable House to the necessity of providing for a better administration of justice throughout India." The Committee are to understand them to contemplate the exclusion of the natives from any share in the administration?—I cannot say that they do so. I cannot say how far all of them entertain that view, but certainly I have heard some of them express to some extent the same opinion that I have held myself. As the question has been asked, I may state that I know no such thing in the history of man, as the average of men rising much above the standard of morality around them, or a man's moral feelings being much above the moral atmosphere in which he lives and breathes, and has his being. Some rare exceptions, no doubt, are to be met with; in our own country we meet with a few men far beyond their age; but I put it to any one, if in our own country men do not think and act very much according to the moral feelings which exist around them. This I may say, that whether it be Hindoo or Mahomedan, especially Hindoo, in my belief, the child sucks in deceit with its mother's milk. One of the best proofs of that is, that I have heard a very high native say, "Do not believe what my son says; he is a liar." Another will turn round and say, "Are you speaking lies, or not?" Neither party would be in the least offended

offended by the imputation. If you do find a native, and such natives are to be met with here and there, who seem disposed to start with every resolution to proceed as you desire him to do, he must be a rare man who, living among Hindoos, has a standard of morality reaching higher than that of those around him, and who can long and steadily withstand the pressure. *J. Jeffreys*, Esq. 30 June 1853.

7728. Mr. *Elliot.*] You have mentioned the disadvantageous position which a European is in as regards the courts of justice in the mofussil; has not the European now very great advantages over the native in the mofussil courts of justice, seeing that he cannot be tried for crimes committed there, but must be sent to Calcutta for the purpose; a circumstance which constantly allows crime to pass without any punishment at all?—Certainly, the native ought to be protected on the spot, by having for the trial of Europeans what you have here, a circuit court: I see no reason why you should not have that court, which every Englishman desires to have; you have always Englishmen enough present in the military establishments to form a jury; I do not see why you should not have a travelling court, as in England, and a jury of resident military men or resident planters, so that a man might be tried by his peers. The native would then be protected, and the European also. But it is not criminal cases which are so likely to affect Europeans as cases connected with property. I know of no way of proceeding in a native court with any safety at present, but by being prepared to employ false witnesses to an indefinite extent, and bribery of the native officials.

7729. Is not the European more apt to domineer over the native than the native over the European?—I have no doubt he is more apt to domineer over the native; but it is not to be desired that he should have an opportunity of doing so; but he is much more likely to suffer from the ill-doing of the native, than the native is from his ill-doing, unless he is prepared to open his purse in a very wrong way. I believe, without exception, a part of the price of every pound of indigo is money paid for bribery and false witness.

7730. *Chairman.*] What I understand you to recommend is the establishment of trial by jury?—What I recommend as a European resident is this: a circuit court of British lawyers, and with a jury to try European criminals; unless the European has that, he has not that which he has a right to claim as a British-born subject.

7731. You mean a jury of Europeans alone?—A jury of Europeans.

7732. You spoke of the absence of the right given by the Habeas Corpus Act in India; do you mean that the person of a British subject is not safe there?—I am not sufficiently acquainted with the Company's regulations to know what the provisions are as against the abuse of the power; but it lies in the discretion of a native judge to arrest anybody he pleases.

7733. Have you known any instances of the exercise of that power?—Yes; and I have known it to be threatened.

7734. How long has such a person, having been arrested upon a warrant, been kept in confinement in consequence of the want of the right of *habeas corpus?*—I cannot say how long he has been kept.

7735. Can you tell the Committee any instances in which such a power has been exercised?—I can speak of one instance which led to a man's death, from the mortification which it excited. The case to which I refer was the case of Mr. Morton, who was arrested by the judge of Furruckabad. I do not undertake to justify Mr. Morton's proceedings.

7736. Will you state whether he was arrested upon any specific charge, and whether it was a criminal or a civil case?—It was entirely a civil case.

7737. Was he arrested for debt?—Yes, and under circumstances that were so mortifying to him, that he was seized with inflammation of the liver, which brought on a rapid abscess, and ended in his death. He raved with delirium during his illness.

7738. Mr. *Mangles.*] Was not it the fact that Mr. Morton owed a large sum of money to a native of high rank, and that the judge merely executed a civil process, as he was bound to do, by arresting him in the way in which he did?—I cannot say; I speak to the fact of his being arrested.

7739. Sir *J. W. Hogg.*] By whom was this gentleman arrested?—By the judge of Furruckabad.

7740. Was he arrested by the judge under any authority which that judge possessed, or was he arrested by the judge in obedience to a process from Her Majesty's Supreme Court of Calcutta?—I think he was arrested by process.

J. Jeffreys, Esq.

30 June 1853.

7741. The process issued from Her Majesty's Supreme Court?—It did in that case. Mr. Morton was arrested, not in obedience to, but in the face of a writ from the Supreme Court of Calcutta with which he was entrusted against a native who was charged with defrauding him; and a short time before his death a mandamus arrived from the Supreme Court enforcing his release.

7742. And the judge or officer of the Company, in arresting Mr. Morton, only acted in obedience to the process so issued?—I believe that was the case in that particular instance; that is, simply in regard to the question of *habeas corpus*. It would be unpleasant for me to state the facts of another case, of a very different kind; so that I had rather leave my evidence upon this point almost imperfect than state that other case. It was so remarkable a case, that it would behove any one to warn his fellow men against its recurrence. I have particularly adverted to the subject of the *habeas corpus*, but I do not wish to let the evidence rest upon that only; it is in prosecuting the natives for fraud in various ways that I consider the European settler in India has no due protection; and that he cannot possibly have, with the best intention of the native courts. I never met with an indigo planter who did not admit that he was obliged to employ false witnesses and to bribe in order to protect his property; I think I speak advisedly when I say it forms part of the price of every pound of indigo.

7743. Sir *G. Grey*.] Would the employment of European judges, to the exclusion of native judges, improve the character of the testimony?—It would have a beneficial effect if connected with an increase in the number of functionaries.

7744. Therefore your proposal for administering justice would involve an increase in the number of judges, at the same time that it would confine the seats of justice to Europeans?—I would have great caution used in the increase of the number of natives sitting in judgment alone. I may state a case which I have seen repeatedly; I have seen the judge sometimes both a judge and a magistrate, overwhelmed with work, sitting with a sea of heads before him, of people all clamorous and urgent, signing a number of Persian papers, with a large packet of such papers before him; it is impossible he should have read all those papers; those papers fly about the district, and I should like this point to be ascertained, whether the purport of those papers in some instances is not the very opposite of what he intended; if it is not, I do not know what security there is against it. I have seen a judge from sickness hardly fit for his work; but taking him in his best moments, he is overwhelmed with work. I go from the court into the cantonment, and I find in the middle of the day a dozen fine lads serving in the army, men of the same family, the same school education with himself, the same English character and integrity, suffering from *ennui*, having nothing to do beyond their morning drill; and an impression has struck me from an early day to this hour, that the time will come, and nothing can help it, for the employment of every educated European in the service in various ways in the Government of the country. I see Mr. Prinsep in his pamphlet strongly recommends that the *élite* of the army shall be picked out, that a kind of intellectual emasculation of the army should take place, both to help the civil service, and also lest, in consequence of large numbers of superior minds in the army finding no field for the exercise of their faculties, disaffection should grow up among them.

7745. You mean among the European officers?—Yes; I can conceive of nothing more painful than the position of a European officer in India, with no prospect of war before him, in times of peace, day passing by after day, he having nothing to do from morning till night. I have known many a fine youth come out one thing, and at the end of three years become quite another. I cannot believe he would be damaged if he were fully employed. At every station you must have a civil surgeon. I undertake to say, that the number of hours he has devoted to the acquirement of his profession would be more than the hours the magistrate had devoted to his. Five years is the ordinary period of study of a surgeon. It is not five years before a man in the civil service begins to draw some salary. This civil surgeon has nothing to do the whole day long beyond half-an-hour or an hour's attendance in the gaol. You have medical men in full practice even employed as magistrates; why should not the civil surgeon in India be so employed; on his qualifying himself, a moderate addition to his salary would suffice, and that of the usual magistrates would be saved to the State.

J. Jeffreys, Esq.

30 June 1853.

7746. Sir *J. W. Hogg.*] In your opinion, that system which you have suggested, of employing every educated European in India in the service of the Government, would be better than the system which has been lately adopted of making use of native agency?—Beyond all question I should think so, both for the sake of the Government of the country, and for the good of the army itself.

7747. Mr. *Mangles.*] How, under that system, would it be possible to raise the morals and feelings of the people above the low level of which you speak?—It would not exclude the gradual employment of natives. If you can so educate a sufficient number of natives in each locality, near the larger towns, for instance, that not only the particular men you pick out, but a large number round them, shall partake of that good moral atmosphere, and shall contribute to the establishment of a right moral feeling to back those individuals, I think it will be safe then to employ them.

7748. *Chairman.*] The petition speaks of improved police. The Committee have had the defects of the present system pointed out to them; what suggestions for its improvement would you submit to the Committee?—Will India always be able to bear 200,000 or 300,000 men as soldiers in time of peace, having nearly nothing to do? What was the procedure of the ancient native governments? Why should not our sepoys, even if it is supposed to be at some sacrifice of their military *morale*, be brought in aid of the existing police?

7749. Sir *G. Grey.*] Would you substitute for the civil police a military police throughout India?—I would bring them in to aid the present police; and I think even it would be better to introduce them as a substitute, than to leave things as they are.

7750. The petition points to an improved organisation of the police; do the petitioners mean by that the substitution of a military for a civil police? I cannot state that they do.

7751. You are not able to state the views of the petitioners upon that subject?—I cannot say that I can detail the whole of their views.

7752. Your own opinion is, that it would be better to have a military police exclusively throughout India?—Incomparably better than the inefficient system you have at present.

Lunæ, 4° *die Julii*, 1853.

MEMBERS PRESENT

Mr. Baring.	Sir T. H. Maddock.
Mr. R. H. Clive.	Mr. Hardinge.
Sir George Grey.	Sir J. W. Hogg.
Mr. Newdegate.	Mr. Mangles.
Mr. Lowe.	Mr. Hume.
Mr. Elliot.	Mr. Vernon Smith.
Mr. Spooner.	Viscount Jocelyn.
Mr. Ellice.	Sir Charles Wood.
Mr. Bankes.	

THOMAS BARING, Esq., in the Chair.

Alexander Struthers Finlay, Esq., called in; and Examined.

A. S. Finlay, Esq.

4 July 1853.

7753. *Chairman.*] YOU have been connected with trade in India for some period?—I have, for about 20 years.

7754. In Bombay and in Madras?—Only in Bombay.

7755. You have resided there, have you not?—I have.

7756. You are acquainted with the petition which has been referred to this Committee, having been presented to the House of Commons, on the part of the East India and China Association of Liverpool?—Yes.

7757. You have been requested by the committee of that association to appear here to corroborate the statements made in that petition, have not you?—I have.

A. S. Finlay, Esq.

4 July 1853.

7758. When were you last in Bombay?—I left in 1838, but I have been in constant correspondence with my partners in India since then.

7759. Have you any observations to make upon the paragraph in the petition which refers to the existing want of internal communication for produce and merchandise?—Yes, I have; I consider that at present there are no roads in India suitable for commercial purposes of any extent. I am aware that there are what are called roads; there is one from Calcutta to Delhi, but that is more of a military road than anything else; and it is not much used for commercial purposes; I believe it will be given in evidence by another gentleman that it is not practicable in many parts at certain seasons; therefore, as a commercial road it is of little use. The only good road on the Bombay side, which is that with which I am best acquainted, is from Poonah to Panwell; that extends about 70 miles, but is almost altogether a road for military purposes; there is a traffic upon it, but it is not of much value for commercial purposes, on account of its very limited length. One of the great trunk roads, which is put down as a made road, is from Bombay to Agra; but for practical purposes, especially for trade, it is of little or no use. I can corroborate that statement by a letter which I have here, written by the collector in Kandeish, through which that road passes, dated April 1852, to the secretary of the Government in Bombay. "The high road for the last two years, in consequence of the unprecedented increase of traffic that passes along it, cut up by numerous cart-wheels, is one mass of sand and ruts from March until the rains set in; the stone metalling is not of a sufficiently hard kind. It would be well if the Government were to order the collector of Tannah to send a special inspector to see and report on the insufficiency of water for cattle on the road below the Ghauts." There is another extract which I beg to read to the Committee from the commercial circular of Ritchie, Steuart & Co., dated 25 June 1852, which quotes the report of a Government officer, Captain Wingate. "No previous season has shown more palpably how seriously the want of roads impedes the trade of the country; Berar, for instance, has produced this year the finest cotton crop we have seen for very many years, if ever; the quality of much of it is superior to the best Broach, and the cultivation of such cotton can be almost indefinitely increased in that province, but to what purpose, so long as it cannot be conveyed to the coast, where alone it can be converted into money? A large portion of the crop is still in the districts, and will not reach Bombay until November and thereafter; much of it, in fact, will not be despatched until the following crop is being picked, owing to the difficulties of transport over the wretched bullock tracks, which alone are available for two-thirds to three-fourths of the journey to Bombay; even the high road, which serves for the remainder of the distance, is in many parts in a disgraceful state."

7760. Are you aware of any improvement having taken place since 1852, in consequence of the representations which have been made?—Not much improvement. I have been informed by the last accounts that there have been some men put upon it to improve the worst parts of the line, but that is merely a temporary improvement; there have been no bridges constructed; parts of the line are good, but other parts are hardly passable, which, in effect, is shutting up the whole line.

7761. You state that military roads are not useful for commercial purposes; why is that the case?—The great military road by the side of the Ganges is of little use for commercial purposes, because the Ganges itself is a cheaper means of transit; the road is also in a bad state. The Poonah road is too short to be of much use for the general commerce of the country.

7762. Can you give the Committee any idea of the number of miles of road which now exist in the Presidency of Bombay?—I cannot; it is not very easy to do so. I have not been able to find any statistical account of it. I am aware that there have been latterly some roads made in the Southern Mahratta country.

7763. In the course of the last 10 years have there been any fresh roads made in Bombay?—There have been some, but not any of very great extent, which is proved by the report given by the East India Company of the expenditure upon roads within the last 13 years, which, as there given, comes down to 1849. According to that statement, the whole amount expended in the three Presidencies of Bengal, Bombay, and Madras, amounts to little more than a half per cent. of the revenue. In Bombay it is only 31,721 *l.* per annum upon the average.

7764. Will you state to the Committee in what way you think the wants of the

the country in those respects might be best met?—Allow me first to remark, that perhaps the Committee may not be quite aware of the immense injury which is caused to trade in India from the want of roads. In this country we have so many roads, that the want of them does not strike us so much. I think the delay caused by the want of roads is more severely felt in India than it would be even in this country, for this reason, that the monsoon begins in June, and lasts during the four months of June, July, August, and September. The crops are ripe early in the spring; so that if the produce is not brought down before the monsoon, it cannot be brought down till October or November; and as there are no good warehouses or means of keeping it during the heavy rains which fall, it is very much deteriorated, besides the immense loss of interest and the additional expenses, which are very great. It is difficult for a merchant to calculate upon any transaction with the interior, on account of the uncertainty of the communication.

7765. Mr. *Elliot*.] What crops do you speak of?—I speak of all crops; cotton, linseed, flax, hemp, and other productions.

7766. Does not the cotton crop grow generally in the monsoon?—It does, but it is not picked till after the monsoon; the time of picking varies. In the Southern Mahratta country it is picked in the months of February, March, and April. As the monsoon commences in June, and it has to be cleaned before it is ready for market, it is only by great exertions and by means of very good roads that it can possibly be brought to Bombay that season.

7767. In what month is the cotton crop gathered?—In February, March, and April in the Southern Mahratta country; in Candeish it is gathered earlier, but the distance is greater; therefore the greater is the necessity for good roads.

7768. *Chairman*.] Will you state in what way you think good means of communication might be best provided in Bombay?—In the first instance, I should say, all roads or railways, or whatever they are, should be undertaken and maintained by the Government. One reason is, that it always has been the practice; and the next is, that if you have railways carried on by companies, the capital will be raised in England, and the proprietors will have a Board of Directors in England to manage their railway. It is perfectly impossible for a Board of Directors in England to manage a railway in India. It is difficult enough to do it in this country, but there it is quite impossible; and as the dividend is guaranteed by the company, they will have no great inducement to pay much attention to the economical expenditure of the money at their disposal. In my opinion it is much better the Government should do it themselves altogether.

7769. Would not the objection as to the direction be remedied by having a local Board of Directors, or an agency in India?—I do not think you could so easily raise the money in this country for that purpose, if you were to trust it entirely to directors resident in India. What appears to me most advantageous for India at present is the formation of iron tram-railways, to be worked by cattle. Neither roads nor locomotive railways, I think, will answer so well. There is not sufficient passenger traffic at present in India generally, to support locomotive railways. A tram-railway has great advantages over a common road; in the first place, you can travel along it during all seasons of the year; in the next place, the conveyance is quicker and cheaper; you can get a profit by it, whereas you can get no return from common roads, the outlay upon them being so much money sunk. Tramroads will give a very good return, according to the estimates I have made. You can cross large rivers much more easily by merely having beams put across, upon which the trucks may be drawn by means of ropes; the cattle would not require to cross them. The advantages over locomotive railways are, that the cost is very much less; the management is a great deal more easy; they can be made more quickly, and by less experienced hands, and the risk of accidents is very much less. You will have less injury to your plant, and the plant is much cheaper. The trucks for tram-railways can be obtained for 8 *l.* or 10 *l.* apiece, while for locomotive railways they would cost from 60 *l.* to 80 *l.* apiece, and the destruction of the plant in the case of tramways will be very much less; few experienced workmen will be required. From the experience that I have had of locomotive railways in this country, I do not believe it is practicable to work them through India generally now to advantage. They may be worked near the Presidencies, but not throughout India generally. What I would propose is, that you should now commence with the great roads through the principal parts of the country; for instance, from Calcutta to Delhi

A. S. Finlay, Esq.

4 July 1853.

Delhi, not taking the main road which now exists, but varying it so as to run through the large towns which are not now touched by the road; then from Bombay to Delhi by Callian, Indore, and Gwalior, a direction pretty much the same as the Agra road now takes; from Bombay to Madras, by Callian, Poonah, Dharwar, Bangalore and Arcot; also from Bombay to Sattara, by Nagotna, for the cotton districts; which, with other branches, I calculate would require about 3,000 miles of tram-railway, the cost of which, at 3,000*l.* a mile, which is a rough estimate, would amount to 9,000,000*l.*, but say it would be 10,000,000*l.* I think with less than an outlay of 10,000,000*l.* it would be impossible to begin such a system of tramroads as it is desirable to make in India, capable of producing any great effect upon the agriculture and commerce of the country. That sum, as well as any other which it may be necessary to raise by loan, I propose should be raised by means of annuities payable in 60, 70, 80, 90 and 100 years, that is, a fifth every 10 years, and that it should be guaranteed by the British Government. Upon those terms I think there is no doubt it could be raised at 5 per cent., which is the rate of interest now paid by the Indian Government for their debt. It may be objected that the British Government have no right to guarantee such an outlay; I am not perhaps qualified to give an opinion, but it appears to me that in reality the British Government are responsible for all those debts, because the East India Company are merely acting for the British Government. Theirs is not an independent Government; they are merely delegates of the British Crown, and morally as well as in reality the British Government must be held responsible for the debts as they exist. If that be so, why not take advantage of the credit of the British Government to raise money on more favourable terms? With regard to the return, which I think we have reason to expect from such an outlay, it is very difficult to make estimates which can be considered conclusive, but I think there are data from which we may obtain a result which may be trusted; for instance, just now the traffic upon the Ghaut through which the Agra road passes is 60,000 tons a year; the traffic through the Bhore Ghaut, which runs from Panwell to Poonah, and which it is expected will come by this railway when it is completed, is 40,000 tons, without allowing for any increase, which makes 100,000 tons. But Mr. Chapman, who made the estimates of the traffic when the present railway was under consideration, estimates the traffic at 180,000 tons. I think it will be safer, however, to take half of it; if we take 90,000, which is a very low estimate, we shall be quite safe; 90,000 tons for 150 miles for $2\frac{1}{2}$ *d.* per ton per mile, would give about 140,000*l.* as the gross annual revenue, all the expenses having to be deducted from that sum. The cost of 3,000*l.* a mile, taking the length of 180 miles, which is about the distance to Candeish, gives a total cost of 540,000*l.*; the interest upon which at 5 per cent. is 27,000*l.* The result, after allowing for the 5 per cent. interest, the maintenance of way, and the expense of working, taking Mr. Chapman's estimate of 180,000 tons, will leave a clear profit of 214,550*l.*; I take half of that; instead of taking 180,000 tons of traffic, I take 90,000, which leaves 107,000*l.*, of profit, being equal to 20 per cent., after paying 5 per cent. interest. However, I will not take that as a criterion of all the railways, but I think that we may safely take 10 per cent. I have already reduced the estimate one-half, and now I reduce it again another half, by taking 10 per cent. as the clear profit instead of 20 per cent.

7770. You and the petitioners would recommend that the outlay upon roads in India should not be confined to any surplus revenue which may be available, nor should it be entrusted to private enterprise; but that, for the purpose of those public works, loans to the extent, perhaps, of 10 millions, should be made on Indian credit, that Indian credit being guaranteed by the British Government?—That is my opinion; there may be a difference of opinion as to the way in which the money should be raised; some may wish to have it taken from the revenue. My own opinion, and that of a great many others, is that it should be expressly raised for the purpose, and that a department of the Indian Government should be established having the control of that money, for the purpose of carrying out a system of roads.

7771. You also think that tram-railways are preferable to railways worked by locomotive engines?—Yes.

7772. Would you leave the management of those works when made to the Indian Government?—The way in which I would recommend it to be done would

A. S. *Finlay*, Esq.

4 July 1853.

would be this; the Government should retain possession of the roads and maintain them, but they should let out the working of them. For instance, if the whole charge is 2 ½ *d.* per ton per mile, they might easily find contractors to work the traffic on receiving ½ *d.* per ton per mile, which in most cases would be sufficient for the working of the line, the contractor would supply the waggons and the haulage; the haulage would cost about a farthing, and another farthing would be sufficient to supply waggons, generally speaking, which would leave 2 *d.* a ton clear revenue to the Government.

7773. How would you ensure the reception of it by the Government?—They must have collectors at the different stations, as is the case in this country; the money would all be paid into the hands of the Government officers.

7774. Mr. *Hume.*] Do you contemplate that these tramways would entirely supersede the great lines of road to which you before referred, from Bombay to Agra, and from Calcutta to Delhi?—I should think they would.

7775. Is anything now charged upon those roads by the Government?—There is no charge that I am aware of; there may be some charge for crossing the rivers, but it is not much.

7776. Sir *T. H. Maddock.*] Have you been much in the interior of the country?—Yes, I have, a good deal.

7777. How far have you been from Bombay?—I crossed once to Madras, and I also went north as far as Aurungabad.

7778. The country is not very populous, is it?—In the part which I visited it is not.

7779. Your objection to the introduction of railroads seems to be based upon the supposition that there would be no passenger income?—I do not think there would be sufficient to maintain a railway.

7780. You have never been in the North-western Provinces of Bengal?—I have not.

7781. Nor into Bengal itself?—No.

7782. If you were aware that considerable portions of those territories are as populous as the most populous countries in Europe, and that they abound in wealthy towns and large villages, would you continue in the opinion which you have expressed in favour of tramways?—I should; because the passenger traffic very much depends upon the nature of the inhabitants; upon their wealth and upon their habits. In this country we find that the cultivating classes do not generally travel much.

7783. Are you aware that in India a very large proportion of all classes of the people travel great distances on pilgrimages, as well as in search of service?—I have not had any means of ascertaining, from statistical accounts, what the number may be. From my own knowledge of the part of the country I am best acquainted with, I think there are very few people sufficiently wealthy to pay the necessary fare for locomotive railways.

7784. You resided some years in Bombay?—I did.

7785. There is a chamber of commerce in Bombay, is not there?—Yes.

7786. Is there much communication between the chamber of commerce and the organs of the Government at Bombay?—I do not know whether there may have been lately. When I was there the chamber was formed; at that time we had not a great deal of communication with Government.

7787. Are you aware that one of the objects of its establishment was to form a channel of communication between the mercantile community and the Government?—I believe that was one object; I do not think it was the principal object.

7788. Mr. *Hardinge.*] Are you aware whether the road from Allahabad northwards, is used for commercial purposes?—I do not know.

7789. You have stated, have not you, that it is wholly a military road?—Not wholly so; I say it is chiefly so; I believe it was made principally as a military road; it is not what I consider a road of much importance, in a commercial point of view. No doubt it and all roads will be used for commercial purposes.

7790. Mr. *Elliot.*] During your absence from Bombay, in going to Madras, did you reside for any considerable time in the interior?—I was there some weeks, not any great length of time. I stopped a few days here and there.

7791. You have had no long personal experience of that part of the interior?—No.

7792. With regard to the collectors which you have stated it would be necessary

A. S. Finlay, Esq.

4 July 1853.

to have at the different stations, would you entrust them to native agency, or require Europeans to be placed at each post?—I should not think it necessary to have all Europeans. The collectors would not necessarily receive the money. What are called collectors in this country frequently only make out way-bills. If a person sends a certain amount of coal, for instance, at the place where it touches the railway he gets a way-bill, to indicate whence it came and whither it is going; it states the distance, and when it is delivered the money is paid.

7793. You think native agency would be sufficient for that purpose?—In many places you must have Europeans also.

7794. Sir *G. Grey.*] Do you recommend these tramroads as a substitute both for the existing roads and for the ordinary railroads with locomotive engines? —Yes.

7795. Are the Committee to understand, that you object to any encouragement being given in India to ordinary railways with locomotive power?—I would not say that; I think, generally speaking, tramways will be the most useful; I do not think a locomotive railway can be carried through the great extent of country I propose. It is possible that near Bombay and Calcutta, and Madras, where there is already a considerable passenger traffic for a short distance, locomotives may be used to advantage.

7796. Do you recommend, that in addition to the tramroads, the Government should also undertake the formation and management of railroads?—Decidedly.

7797. Mr. *Mangles.*] At what speed do you calculate you would be able to travel upon those tramways?—I should think you could not calculate upon going above three miles an hour with heavy traffic.

7798. One of the great political objects has been the transport of troops for the Government, and the facility which it would afford to moving troops with rapidity, thereby probably enabling the Government to reduce its military force, or at any rate to concentrate its forces with great rapidity; tramways would not be useful for that purpose, would they?—They would not be so useful as locomotive railways of course, but they would be a great improvement upon the present system; you could carry troops 60 miles a day in that way, whereas at present they can only go 10 or 12. By a locomotive railway, no doubt they would go much quicker, but I do not think India is ready for a system of locomotive railways.

7799. Are you aware that at the great towns on the Ganges, Benares, Mirzapore, and Ghazeepore, and so upwards to Agra, the population is probably as dense as it is near the Presidencies; denser probably than it is near Bombay and Madras?—It is possible; I do not know the number of the population; but, as I stated before, I should not suppose they were of that wealthy class capable of paying the fares necessary for locomotive railways.

7800. *Chairman.*] On the subject of irrigation, in which the petitioners pray for improvement, have you any remarks to make to the Committee?—Yes; the evil of the want of irrigation must be pretty well known; it not only causes great loss of life and of cattle, but it discourages the cultivators; in the cotton districts in Candeish, with which I am connected, a want of rain occurs perhaps every six or seven or eight years, which destroys the cultivation entirely; it injures the seed and throws everything back for years; the apprehension of it is always felt; the advantages to be derived from the irrigation in a country like India are hardly to be calculated. In fact there is everything but water; that is the only thing required to make the country exceedingly productive.

7801. Mr. *Mangles.*] Have they the means of irrigation in Candeish?—I believe they have, in most parts of it.

7802. Will you mention what the means are; what is the water supply which would furnish irrigation?—There are several large rivers; there is evidence before the Committee to show that there would be sufficient water there; what I say now is with regard rather to the general irrigation of India than with respect particularly to Candeish; it requires a great deal of local and engineering knowledge, to speak of the best mode of irrigating any particular district. There are data given by the East India Company with respect to irrigation, from which very valuable results may be obtained. They state that the Ganges, the Jumna, the Ravee, the Chenaub, the Sutlej, and the Jhelum, are sufficient in dry seasons to supply 24,000 cubit feet per second. According to the data given, that is sufficient water to irrigate 30 millions of begahs, a begah being about half an English acre. I take the cost from their estimate of the great Ganges Canal;

A. S. Finlay, Esq.

4 July 1853.

Canal; applying the same ratio of cost to that quantity of water, it amounts to 6,000,000 *l.*, or say 7,000,000 *l.* The results in Madras, where irrigation has been tried, if we can believe the reports from the Coleroon River, are exceedingly favourable; it is stated that 150,000 *l.* per annum were received in nine years after paying the cost; but without taking that as the basis, I think we may come to a result in this way; supposing the amount of water I have mentioned to be sufficient to irrigate 30,000,000 of begahs, at a cost of 7,000,000 *l.*, that is 1,000,000 *l.* more in proportion than the estimate for the Ganges Canal. If the native is willing to pay 1 *s.* per begah for the water, which is a very moderate calculation, and no one who knows anything of the value of water in that country would deny that 1 *s.* per begah for the use of it is not too much, that would give a revenue of 1,500,000 *l.* If you allow 10 per cent. for expenses of management, it would yield a net revenue of 1,350,000 *l.* upon an outlay of 7,000,000 *l.*, which is nearly 20 per cent. I believe that is a very moderate calculation. I do not know these facts from my own experience, but judging from the evidence which has been given, and the testimony of those who are well qualified to judge, I think 20 per cent. is not an over estimate.

7803. Is it your opinion that those works for irrigation should be undertaken by the Government?—Yes, decidedly.

7804. Sir *T. H. Maddock.*] Are you aware of the nature of the country concerning which you are giving this evidence?—I am not. I have mentioned that to go into details would require local and engineering knowledge, which I do not possess. What I have stated is based upon a Return made to this Committee by the India House.

7805. You are probably aware that the country through which the Ganges Canal is now being formed is an immense alluvial deposit of 400 or 500 miles wide, and 1,000 miles long. There is nothing at all similar to that, is there, in the condition of Candeish?—It is stated to be a very rich country, and only requiring irrigation. I have papers before me which prove it.

7806. From whence do you derive your authority for stating the acreage or number of begahs of land which are capable of being brought under irrigation?—From the same Return of which I before spoke.

7807. Mr. *Mangles.*] You spoke of a large quantity of water being available from the Ganges and the Jumna; are you aware that the Jumna canals already almost lay the Jumna dry, and that the great objection, indeed the only serious objection which has been raised to the Ganges Canal is, that it will ruin the Ganges for navigation, by taking away the whole of its water?—I am not aware of it.

7808. Sir *T. H. Maddock.*] You stated that there were 30,000,000 of begahs which might be irrigated in Candeish?—I stated, upon the basis of the calculation given in the Papers now before the Committee, that 30,000,000 begahs might be irrigated.

7809. From whence did you obtain the information that there were 30 millions of begahs lying waste, which might be irrigated?—I have no precise information on the subject; the fact cannot be denied.

7810. Are you aware whether a great portion of the province of Candeish is or is not altogether dissimilar to the alluvial bed of the Ganges, being for the most part hilly, and interspersed with valleys?—I am aware, from my own experience, that a great part of it is adapted for irrigation; the exact amount I could not say.

7811. This calculation of 30,000,000 of begahs applies to the whole surface of the province, does not it?—That calculation merely applies to the neighbourhood of the six rivers which I have mentioned: the Ganges, the Jumna, the Ravee, the Chenaub, the Sutlej, and the Jhelum. If all the water which is available in those rivers were applied to the purposes of irrigation, it would irrigate 30,000,000 of begahs, at a cost of 6,000,000 *l.* sterling.

7812. Mr. *Mangles.*] Are you aware that large operations in the way of irrigation are in progress in the Punjaub, under the orders of the Government of India?—I am only aware of it from report.

7813. *Chairman.*] The petitioners go on to ask the Government "to grant lands, and otherwise to afford every encouragement for the formation of docks, quays, and other appliances, for the accommodation of all descriptions of shipping and craft, wherever such accommodation may be required;" do you believe that

A. S. Finlay, Esq.

4 July 1853.

the Government have not done what was in their power, or that they have refused facilities to others to carry out such works?—I do not think it is intended in the petition to say that; I think what is intended is, that that is a necessary measure connected with the improvement of roads.

7814. You think it should be carried out on the same principle as that of which you have been speaking, in reference to the improvement of roads and irrigation?—Yes.

7815. Mr. *Hume.*] Can you point out any part of India where docks and quays may be formed, so as to afford the encouragement to trade which is spoken of in the petition?—There some places in the cotton districts, in the north of Bombay and Guzerat, where they are very much wanted.

7816. Can you refer to any particular places?—I may mention Surat and Broach; I know there is one of those cotton districts where the shipping of cotton is exceedingly inconvenient; it is obliged to be rolled through the mud at low water, and is very much injured. I am not quite certain which place it is, but I know it is in Guzerat.

7817. Do the observations made in this petition relate to Guzerat alone?—No; it is not intended to say that generally the Government have been unwilling to do it, but that it is necessary it should be done where required.

7818. Mr. *Mangles.*] Are you aware that there is a correspondence now going on between the Government at home and the Government of India, with regard to docks to be formed at Diamond Harbour in the Hooghly, and a railway leading from them?—I am not much acquainted with the neighbourhood of Calcutta.

7819. *Chairman.*] With regard to the allegation in the petition, that "the land-tax or rent paid by the cultivators of the soil is excessive, and that the mode of collection is very injurious to the interests of the country;" will you state to the Committee any facts upon that subject which you wish to bring before them?—If the Committee will allow me, I will state my definition of land-tax, as there seems to be a doubt whether it is a tax or a rent. I will state what I consider to be the difference between a tax and a rent, so as to make my subsequent observations more easily understood. It appears to me that a "tax" is levied without the consent, and generally against the will of the individuals who pay it. "Rent" is an agreement voluntarily entered into by landlord and tenant, by which the latter undertakes, of his own free will, to pay a certain annual sum for the use of the land. That appears to me to be the difference between the two. Upon that principle the Indian land revenue is a tax; it appears to me that, as a tax, it is unsound in principle; first, because it is a tax upon a particular class, the agriculturists, the lower class; the rich pay but little tax in India. Then, secondly, it is a tax on food, and the necessaries of life. In the third place it is a tax upon industry; it hinders the export trade of India, by increasing the expense of cultivation. India, from the want of roads and other circumstances, cannot always compete with other countries in articles of export when prices are low; for instance, in the case of cotton, the competition of America destroys the Indian cotton trade when prices are low. By increasing the cost of production in India by a direct tax upon land, you render the export trade of India still more precarious, and frequently so unprofitable, that the cultivators cannot trust to it; the consequence is that most of the crops grown for export are not cultivated with that care that they ought to be, and are not brought to the perfection to which they might be brought. I think that is one very great evil resulting from the land tax. I have no doubt, from the knowledge that I have of the commerce and the agriculture of India, that if the land-tax were lower, good means of communication made, and irrigation encouraged upon a large scale, the agriculturists of India could compete with all the world in producing many articles, particularly cotton, many kinds of grain, tobacco, sugar, coffee, linseed, and hemp, and probably many other articles, those being only some of the principal ones. Another evil of the land-tax, and the extent to which it has been carried is, that it has destroyed the class of landed proprietors altogether; there may be exceptions to this statement in the case of the zemindars; but, generally speaking, there are not in India what would be called in this country resident landed proprietors. We know from experience, in this country, how much an estate suffers from the absence of the landlord. In Ireland, it has been proved beyond a doubt. No support is given to the cultivator; he has nothing to trust to when any little difficulty arises, and agriculture, instead of being improved, is depressed and deteriorated

deteriorated. The effect, both moral and physical, is exceedingly bad. That is the opinion of the commercial body generally, formed after a full consideration of the subject, which is no new one.

7820. What would you recommend to be done?—What I would recommend, in accordance with the general opinion of the mercantile body, is that the land-tax should be reduced. I believe that the principle of it is not sound; but if it were reduced, the evil consequences of it would be a good deal diminished. That would be so if it were reduced 25 per cent.; that reduction I am aware would cause a loss to the revenue, supposing there were no increase of cultivation, of 3,294,000*l.*

7821. Mr. *Hume.*] Will you state to the Committee what proportion of the produce of the land you consider to be applicable to this land revenue, or land-tax?—I can only state what it is as regards some crops; it varies in different places; I know how much it is on the cotton crop in certain places.

7822. Upon the whole you would propose to reduce it 25 per cent.?—Yes; if you do that I think you would ultimately increase the cultivation upwards of 10 per cent., taking it in combination with irrigation and roads, so as to reduce the loss by the reduction to 1,000,000*l.* The salt tax is also very objectionable, and that I think should be removed. The revenue derived from the salt tax is 2,700,000*l.*; the whole loss to the revenue, therefore, by those operations would be 3,700,000*l.* It appears to me that the way in which a direct revenue may be raised with the greatest advantage to a country is, by works which are advantageous to the country itself, such as railways and irrigation. There is also another way in which a certain sum might be raised with great advantage in India, that is, by making advances to the natives on the growing crops; I am aware that it is the opinion of many gentlemen connected with India, that one great means of improving cultivation in India, especially of cotton, is by European merchants making advances in the interior and buying the cotton from the natives, cleaning it and sending it down themselves; I am of that opinion also, because we have tried it. But the insuperable difficulty of carrying it on to any great extent is this; you cannot buy the produce from the cultivators without making advances of money to them before it is grown; you have no security for the repayment of that money; and from the nature and mode of cultivation, as well as from their habits and their connexion with the banyans and others, it very frequently happens that they will not give you the produce after they have got that advance; in fact it is frequently seized by some of their friends, under the pretence of a previous debt; therefore you have no security for your loan. In our case we have made advances through the Government; it was done as a trial, and the result has been so far to prove the great advantage to the general interests of the country of European houses making advances of that nature; but it has also proved the impossibility of carrying it on under the existing state of things; I have thought a great deal upon this subject, and the only remedy that I can see is, that the Government should make the advances themselves. The great evil of the present system is this; the natives are exceedingly poor; they have not the means of buying food for themselves and their bullocks till the crop is ready; they must, therefore, have advances from some one. The usual practice is for the banyans in the different villages to make advances at an enormous rate of interest; they have the cultivators quite under their control, and oblige them to sell their crop to them before it is grown, on very unfavourable terms. The consequence is, the cultivator does not care whether the quality of the crop is good or bad; he gets a fixed sum, according to the weight; what he wants, therefore, is bulk, and not quality; that is one great reason why the cultivation of cotton has not been improved.

7823. Mr. *Ellice.*] You would propose to constitute the East India Company capitalists for the cultivation of cotton in India?—I propose that they should do what was done by the old Indian Governments, which is to advance money to the natives.

7824. If they made advances to the natives, they must become capitalists interested in the cultivation of cotton?—In one sense they may be so; but I do not consider it is so, any more than a European making advances would be; it would be rather as occupying the place of the landed proprietors that they would make the advances.

7825. You would place the East India Company in the situation of European merchants,

A. S. Finlay, Esq.

4 July 1853.

merchants, would you?—No; I would place them in the position which they actually hold in India, which is a very peculiar one. The cultivators of India, I think, have reason to expect a great deal of support from the Government. The Government have destroyed their natural supporters in destroying the resident landowners, and I think they are bound to a certain extent to take the place of those landowners. If a proprietor were looking after his own estate, he would not object to make an advance to his tenant when he found him in difficulty; in fact, it is a thing done in many parts of Europe; the proprietor advances a certain part of the expense of the cultivation.

7826. Do you think it a good system to prevail in any country, that the money employed in cultivation should be advanced, either by the proprietor of the soil or by the Government?—I do not say it is a good system; I say that it is the only system applicable to India in its present condition.

7827. In what manner have the East India Company destroyed the landlords of India?—Because there can be no proprietor where the land yields no rent, and the East India Company's land-tax absorbs the rent.

7828. Are there not such proprietors; are there not zemindars throughout India who derive rent from the land just as the Company derives a tax from the land?—I am aware of that, and I made that exception in a previous answer. I said there were no resident landowners; the zemindars no doubt are to a certain extent landowners, but they are absentees, and there are no laws to protect the ryots under them; they may exact whatever amount of revenue they choose. In fact, it is something like the old Irish system of subletting and absentee landlords.

7829. You think that all those evils can be remedied by the East India Company advancing money, as capitalists, to the present cultivators of the soil?—Not all those evils; the system in Bengal would not be remedied by that means; I do not apply my remarks to the zemindary system so much as to the ryotwary system. It would require other remedies to be introduced where the zemindary system prevails.

7830. So far as the ryotwary system is concerned, and the grower of cotton, as connected with it, you would be of opinion that it would be advisable for the East India Company to advance money to the cultivators, in order to promote the cultivation of cotton?—Decidedly.

7831. Sir *T. H. Maddock.*] Are you acquainted with the interior of the Bombay Presidency?—To a certain extent.

7832. Are you aware whether this system of advances does, to any degree, prevail there or not?—I am aware that the Government do make small advances called tuccavee, but the amount is a mere trifle; it certainly is not sufficient to relieve the cultivator from the thraldom to which he is subject under the banyan.

7833. Your proposition is to reduce the present rate of assessment on all the land of India about 25 per cent., and among other equivalents for this loss of revenue, you calculate that 10 per cent. more land would be brought into cultivation; am I correct in that statement?—Yes.

7834. You probably are aware that in some parts of India the whole or almost the whole of the cultivable land is already in cultivation, and that the population is as dense as it is in the most densely populated parts of Europe?—Yes.

7835. There, therefore, you would sustain a direct loss of 25 per cent. without the possibility of finding any equivalent?—I do not include the parts of Bengal where the zemindary system prevails.

7836. I am alluding now to a part of India which is not subject to the perpetual system, namely, the North-western Provinces of Bengal; do you perceive that by this system you would certainly sacrifice 25 per cent. of the present assessment, without the possibility of any indemnity in the shape of 10 per cent. more land being brought into culivation?—It is possible that in some places the loss might be more than my estimate; over a large tract of country like India, the effect would be variable; I take 25 per cent. as the average rate of reduction; in some parts the reduction might be less, in some it might be more.

7837. With regard to those parts of the country which are the least cultivated, and where there is most waste land at present, are you aware by what rule the extent of cultivation is mainly guided; do you know that the rule is the amount of the population?—That may be one rule; it is quite possible, by means of irrigation, that the same population might cultivate a great deal more. In Candeish the

the population is quite capable of cultivating a much larger extent of land than is now cultivated; I can prove that the cultivation has increased in consequence of the encouragement lately given to the cultivators.

7838. It has increased of late years?—Yes; owing to some particular circumstances, which I shall allude to hereafter.

7839. Are you aware whether there has been a corresponding increase of population?—I believe there has not.

7840. Mr. *Hume*.] Are the Committee to understand you to say that as in the districts where the ryotwar system prevails, the East India Company have become the proprietors of the land, you think they should do what was done by the proprietors of old, namely, advance tuccavee to the ryots, to enable them to carry on their cultivation?—Yes.

7841. You say the experiment has been tried by you with success, but that not having the power which the Government would have of paying themselves by taking the crops, you are not able to obtain repayment of those advances, which have been made by way of experiment?—Yes; if the Committee will allow me, I will read some letters to prove that statement; they are letters from the collectors at Candeish to the Government at Bombay.

7842. Sir *J. W. Hogg*.] When the East India Company were traders, and they had to supply the investments, I believe those investments were always supplied through the medium of advances made to those who produced the crops?—I believe so.

7843. And that system was entirely discontinued by the East India Company when they ceased to be traders?—It was.

7844. Are you aware that India supplies very nearly the whole, or at least nine-tenths, of the indigo that is consumed in the whole world?—I am aware of it; but I cannot give evidence upon that subject, because I am not acquainted with Bengal.

7845. Are you aware that the whole of that indigo is manufactured by means of advances made by the indigo planters to the ryots who produce the plant?—I have no personal knowledge of it, but I have several friends who have possessed indigo factories in India; I have put the question to them, how they secured their indigo; they said it was a mere scramble; that sometimes they got it and sometimes they did not, and that sometimes they took it by force.

7846. My question relates to a matter of fact; is or is not the indigo produced by the system of advances to the ryots?—Yes; but in explanation of that answer, I think that it is right to add, that it is with great difficulty that the cultivation is carried on, and that the produce cannot be obtained by legal means. I think evidence has been given before the Committee proving the great difficulty experienced by the indigo planters in getting the produce for which they have made advances.

7847. The fact, however, is, that indigo is produced by the system of advances?—Yes.

7848. About 50 or 60 years ago, I believe India produced a very small portion of the indigo which supplied the world, a great deal being produced by South America and Java?—I do not know anything about indigo.

7849. Having resided so long in India as a mercantile man, are you aware, from your own knowledge, or from common repute, that the advances made by the indigo planters to the ryots amount to, if they do not exceed, a million sterling a year?—I think it is hardly fair to put questions to me about a matter with which I have said I am not acquainted.

7850. Can you state any difference between the cultivation of cotton and of indigo, which would render it difficult, if not impossible, to make advances in one case, while it was practicable to make them in the other?—Yes, I can; one difference is a very evident one; that the cultivation of cotton covers a very large surface of ground; it is difficult, therefore, to superintend it. In the case of indigo, I understand it is grown on a comparatively small surface. In the case of cotton, in order to get enough to load a ship with 5,000 bales of cotton, you would require 30,000 acres of land. The difficulty of watching the cultivators over that space of country can be easily imagined.

7851. I believe an acre of land produces about 100 lbs. of cotton, does not it?—About 50 lbs. of clean cotton.

7852. Can you tell me how much an acre of indigo would produce?—I cannot.

 7853. Upon

A. S. Finlay, Esq.

4 July 1853.

7853. Upon what then do you ground your statement, that the cultivation of indigo requires a small area?—If my calculation is wrong, then of course my inference is wrong; but I must leave it to others to prove that it is so.

7854. You speak from conjecture, and not from knowledge, when you say that the area required for the cultivation of indigo is small?—All I can say is, that cotton is grown over so large an area, that it is impossible for us to secure the delivery of the crops upon which advances may have been made by our own vigilance. I cannot say anything about indigo.

7855. Are you aware of the area of cultivation of indigo throughout India, for the production of the present amount of supply?—I am not.

7856. You are not therefore competent to speak of the comparative area required for the production of cotton and of indigo?—I am not.

7857. Mr. *Elliot*.] Can you state what greater facility is given to the native who advances money for the cultivation of cotton, of recovering his advances, than is given to the European?—There is no greater facility by law, but practically he has a means of recovering them which Europeans have not, from this circumstance; he is a resident on the spot, his family have been long located in the district, and he has considerable family influence. He has a means, therefore, of enforcing his agreements in that way which we have not. He is subject to losses, and for that very reason he exacts an enormous rate of interest, and very severe terms, from the native grower.

7858. His exaction of a larger rate of interest would not make it easier for the ryot to pay back his advances, would it?—No; but one paying makes up for the loss by another. Being resident there, and knowing the families, one can easily conceive that the native banyan has facilities which we have not.

7859. Supposing the ryot does not pay him back his advances, has not the European the same means of redress for the recovery of those advances that the native has?—I will read to the Committee what the collectors say with regard to the powers which we have of recovering advances. This is a matter which has been under the consideration of the Bombay Government, and of the collector. The following is an extract from a letter from the collector in Candeish to the secretary to the Government. It is dated 30th of April 1852. "With respect the alleged insecurity of advances by merchants or money lenders, there is certainly considerable risk attending its recovery; first, because Government have a prior claim to the year's crop for the year's revenue, as the chief security for the realization of the land rent. Private creditors' claims come afterwards, and there being no village registry of debts on the land, and the zillah registry of debts not being compulsory but optional, it does not give the priority of claim over other debts previously incurred. The mortgages effected on houses or lands may be effected more than once, because the subsequent mortgagees may not be aware of previous transactions, and thus property may be mortgaged for more than its value. A registry office might be established in every moonsiff's court, where land mortgaged ought to be witnessed by the revenue patel and coolkurnees of the village, and where the village registry should be produced to the moonsiff, that he may see whether the land was actually occupied by the cultivator who raised the loan." In another letter from Mr. Mansfield, the collector, dated the 29th of April 1853; he says, "The Government will, I should think, be satisfied with the manner in which the firm have availed themselves of their liberality, more especially if they knew, as I do, the great difficulties they have to encounter in the ryots not fulfilling those engagements, and for which there is practically no remedy. There are numerous instances of ryots taking from them advances, and sowing no cotton at all; others have planted, and have made over to the firm only sufficient to repay the amount advanced to them; and those who have fulfilled their engagements, and sold to the firm the whole cotton they have grown, are rather exceptions than otherwise. I had intended to have made a few examples of those individuals who had committed the most flagrant acts of breach of faith, by forbidding them to cultivate any Government land at all next year; but I consulted some of the oldest revenue native officials, and they were of opinion that such measures might produce a very general feeling of disinclination among the ryots to have any further dealings with the firm, and consequently might be seriously detrimental to their interests, and I therefore purpose not interfering in any manner whatever."

7860. Is there any difference between the case of a native who advances money

A. S. Finlay, Esq.

4 July 1853.

money and a European who advances money?—There is no difference legally; but there is, practically, the difference which I tried to explain before.

7861. *Chairman.*] I understand you to recommed advances to be made by the Government, only because individuals cannot advance upon growing crops with security?—Yes.

7862. Would there be no means of giving them that security by some law or enactment?—That subject has received our attention, and we have corresponded with the Government; and the Government officers also have corresponded with the secretary. A suggestion is thrown out in the letter I have read, which, on consideration, I do not think is practicable in all parts of the country; for this reason: however perfect the law might be, you could not apply it without prodigious expense. The number of people we have to advance to is exceedingly great. In one year we advanced to between 7,000 and 8,000 people. Now, the idea of prosecuting all those persons, however summary the process might be, is an impracticable one.

7863. Will you proceed to state the mode in which you would supply the defalcations which would arise in the revenue. You have proposed by a reduction of the land revenue, and by the abolition of the salt tax, to diminish the present revenue to the extent of 3,700,000*l.* Will you explain to the Committee how you would provide for that deficit in the revenue?—From the calculations which I have laid before the Committee, I assume that 10,000,000*l.* laid out in railways would give a net profit, after paying 5 per cent. interest, of 10 per cent., which is 1,000,000*l.* I propose that in different parts of India 10,000,000*l.* also should be laid out in irrigation. Upon that, I think, upon a very moderate calculation, the profit would be 15 per cent. beyond the payment of 5 per cent. interest. I believe there is no doubt that what has been done already has yielded a larger return than that. That may be taken therefore at 1,500,000*l.* Further, the advances which I speak of I would not make without a charge of interest; it would be a great boon to the people to have them even at a high rate of interest; that is, what would be considered high in this country, viz. from 6 to 8 per cent. Money is now lying idle in the treasuries. It is mentioned in the letter I have read that the treasuries are full, and the collector himself recommends that the Government money should be employed in that way; I calculate that 3 per cent. upon 5,000,000*l.*, which is a very low calculation, would give 150,000*l.* Then there is another point which it appears to me I ought to mention. I think the rich people should be taxed. There is no tax at all upon the rich people in India. The whole taxation falls upon the cultivators, with the exception of the tax upon opium, which is not paid by the people of India. Both the land-tax and the salt-tax fall very heavily upon the poor people; whereas the rich merchants, as well European as native, in the rich districts and in the towns, pay nothing at all. When I was in India I did not pay anything of any consequence except for local police and lights. What I propose is, that there should be a tax upon houses, upon carriages, and upon palanquins. It is very difficult to make any kind of estimate as to what that would produce; but I think 400,000*l.* is not a great deal to calculate upon from all the large towns where there is so much wealth. I think also something might be obtained from the Post-office, though it would be trifling, probably 100,000*l.* Taking all these items together, they amount to 3,150,000*l.* There is one very important point referred to in this petition, which is the mode of levying the land-tax. It is not necessary perhaps that I should say much about it, for it must be very well known to the Committee that it is objectionable. The zemindar system is allowed to be a very bad one; the ryotwar system is also very generally condemned. The way which appears to me would be an easier and cheaper mode of assessing the revenue is this: take Bombay for example: Let the Government divide it into a certain number of districts, say, for convenience sake, 10 districts. I will suppose that each of those districts pays 100,000*l.* of land-tax. Every field should not be valued by the collector as at present, but I would divide each of those districts into 10 sub-divisions; from each of those 10 sub-divisions two deputies should form a court for assessing each sub-division, with the collector of the district as chairman; and let them allocate the 100,000*l.* in suitable proportions to each district. If they were all equal, which is not likely, 10,000*l.* would be assessed upon each district. Such a court would probably assess it in as equitable proportions as any European assessor could. Each of those 10 districts I would again sub-divide into 10 smaller divisions; that

A. S. Finlay, Esq.

4 July 1853.

that would give about 1,000 *l.* to each smaller sub-division, which should also be allocated by the natives; and then again there would be a division into villages; the principle being that all the detail should be managed by the natives, who are much better acquainted with the means of payment of each district than any European officer can be, however well-intentioned or intelligent. The whole should be under the supervision of the collector, with a power of reference to the Government. In case of anything going very far wrong, he should have the power of veto, or of appealing to the Governor in Council. If that system is practicable, and I cannot see any objection to it, it would cause a very great saving in the cost of assessing and collecting the tax, which I put down at one-third, but I think it would be a great deal more. That would be 574,000 *l.* as the saving in the collection; which, added to the items of additional revenue I have mentioned, would be 3,724,000 *l.*, which would fully make up for the deficiency.

7864. Mr. *Mangles.*] You said that the Indian land revenue was a tax and not rent, because the engagements were not entered into of free will; is there not, quite apart from any such consideration as that, upon all cultivated land in populous countries, something which is over and above the profits of stock and the wages of labour, which is what has been defined to be "rent"?—My definition of "rent" is not quite the same as that of the Honourable Member; my definition is, that rent is an agreement voluntarily entered into between the landlord and the tenant, by which the latter undertakes, of his own free will, to pay a certain annual sum for the use of the land. My definition does not go further than that.

7865. Does rent depend upon an agreement between the parties?—Yes.

7866. Does not land cultivated in this country, or in any country, by the proprietor himself, yield rent?—The profit may be thus defined.

7867. Is not rent always defined to be what remains over and above the payment of the wages of labour and the profits of stock?—Some scientific writers on political economy have thus defined it; I have given a practical definition of rent.

7868. Supposing the Government do not take more than that which remains over, in that case how can it be said to be a tax upon food and a tax upon industry; is rent in this country a tax upon food?—No doubt it is.

7869. And a tax upon industry?—Certainly; but then it goes into the pockets of individuals, and so far it is a property for which you are entitled to have a return.

7870. Has not the farmer obtained his profit and his return before he pays that rent?—Yes, that is the proof that it is a voluntary agreement; he expects to make a profit out of it; it is a voluntary agreement for the benefit of both parties. The landed proprietor thinks that the tenant will make more out of the land than he would, and the tenant expects that he will make a profit after paying the rent.

7871. Are you aware that in the North-western Provinces the settlement is made, not upon the gross produce, but upon the ascertainment of the rent, a certain portion of that rent being taken by the Government?—Yes, a considerable portion too, I believe.

7872. Why do you suppose that the Government of India have destroyed the class of landed proprietors?—Because there are none, except under the zemindary system.

7873. Are you aware that Sir Thomas Munro, when he introduced the ryotwar system, made a settlement with every person whom he found in possession of land, and that those persons, or their descendants, still remain in the possession of that land?—I am not prepared to go into what has been done in India; I can only speak of things as they exist now. Where the ryotwar system prevails there are no landed proprietors, or what we should consider in this country landed proprietors; that is to say, men of independent property, who have some little means, and who in fact get a revenue from the land.

7874. Are there no such classes in India?—Not under the ryotwar system.

7875. Are not you aware that, under the ryotwar system in Coimbatore, there are very considerable purchases of land going on; that the ryots sometimes accumulate very considerable properties, even as much as 1,000 acres?—I am aware that there are some instances of that kind, but it is to be proved whether the

the money they have so laid out has not been made by other means; such as banking and mercantile operations. *A. S. Finlay*, Esq.

4 July 1853.

7876. Still they do buy land, and acquire money and become landed proprietors?—I cannot speak to that, I can only say that there is sufficient evidence to satisfy me, that in the country, taking it all in all, there are virtually no landed proprietors in the districts where the ryotwar system prevails; there are no independent resident landed proprietors who are able to assist the cultivators.

7877. The land revenue having been a system which has obtained from all time, and which we have only inherited, how could you shift the burden of taxation, as you propose, upon the merchants and shopkeepers, and bankers, and the richer classes, without doing injustice to them?—It appears to me that because an act of injustice has been done to the cultivators long ago, it is no reason why it should be continued any longer; the sound principle of taxation is, that it should press equally upon all classes.

7878. Supposing the rent of the land to have been always a fund set apart for the purposes of the Government, what injustice can there be in continuing to take it?—I think there is great injustice.

7879. Those men never possessed it, and their forefathers never possessed it?—Nevertheless, I think the sound view of this subject is, that all taxation should be based upon the principle of pressing equally upon the whole population.

7880. You think there would be no injustice in shifting it from those upon whose shoulders the burden has always been placed, and putting it upon the shoulders of those who have never hitherto borne it?—There would be no injustice in diminishing the taxation of the cultivators, who are taxed beyond their means, and putting a small portion of it upon the rich classes, who at present pay nothing.

7881. Why do you assume that the cultivators are taxed beyond their means?—I think it is proved; I gave the reasons for it.

7882. Do you know the state of things in Bengal and the North-western Provinces?—I take my information from a book which I dare say is very well known to you, and also from the evidence which has been given before this Committee, proving that they are in a state of great poverty.

7883. Do you speak of the cultivators, the ryots?—I do.

7884. Not of the persons who pay rent to the Government?—In some cases they are the persons, in some cases they are not; it does not apply to the zemindars, but to the cultivators.

7885. Where the permanent settlement is in force, the cultivating ryots would not be benefited by the Government giving up its whole revenue, instead of one-fourth part of it, would they?—I said that they would not; some other measures are required there; there should be some measures for protecting the ryots against the zemindars.

7886. It is in evidence that very extensive districts of India are held rent-free; why should not the same results take place in those districts which you think would take place in the country generally, supposing the Government revenue were very much reduced?—I have no knowledge on that subject.

7887. Have you any reason to believe that the ryots cultivating such estates are in a better position than the ryots who are cultivating estates which pay the Government revenue?—I do not know; if they are not, there is probably some reason for it.

7888. Did I understand you rightly to say that an acre of cotton land yielded 50 lbs. of cotton?—It varies in different districts; that is about the usual quantity.

7889. What is the value of that cotton on the spot?—It varies very much; I can tell you what the cost is supposed to be in the Southern Mahratta country.

7890. Supposing the ryot has 50 lbs. of clean cotton, what will he sell that for?—It varies as much as 50 per cent.

7891. Between what points would it vary?—It varies according to the locality, according to the distance from the market; you may say the range will be, on the spot, from about 1½ *d.* up to 2½ *d.*; the lowest price I have mentioned would leave no profit to the cultivator at all; it would just pay his expenses; the highest price would give a profit.

7892. The return varies, according to your figures, from 6 *s.* 3 *d.* to 10 *s.* 5 *d.* for the 50 lbs.?—I have not made that calculation.

A. S. Finlay, Esq.

4 July 1853.

7893. How do you suppose it can be profitable for a man to cultivate cotton, obtaining only such a return as that, compared with the profits of cultivating rice or sugar-cane, or other articles of produce?—The lowest price I have mentioned will not leave him any profit; it will merely pay his expenses.

7894. Is it wonderful, under those circumstances, that there should be a difficulty in getting cotton cultivated?—The question respecting the cultivation of cotton I can enter into, if the Committee wish; I am satisfied, from my own experience, that if we had good roads and irrigation in India, and if the system of advances by the Government were adopted so as to admit of Europeans forming agencies in the interior and buying from the growers, India is capable of competing with America in the lower classes of cotton.

7895. Would the introduction of good roads and irrigation alter the relative profit of cultivating cotton and cultivating sugar and grain; would not the facility of getting to the market be the same as regards all those articles of produce?—Yes; but cotton is an article, the cultivation of which can be carried to a greater extent than any other; it is more important in that point of view.

7896. Do not you think one great cause of there not being more cotton cultivated is, that it is more profitable to cultivate other crops?—At present it is so; but if you adopted my recommendations, I think cotton would be a very profitable crop to the natives.

7897. Did you not say that improved irrigation and roads would be of equally great advantage to other articles of produce, as well as to cotton?—Cotton of good quality can always be sold for export. Sugar and other articles produced in India, are so much competed with by other growers all over the world, that their cultivation is not of so much importance.

7898. Is not there an enormous demand for sugar, and many of those articles, in their own native bazaars?—There certainly is now, and it might be increased. I do not say that the cultivation of sugar would not be increased. I think the cultivation of everything would be increased. My observation went to show, that cotton, under those improvements, could be cultivated with very great advantage to the country.

7899. Why do you suppose there are no resident landowners, but that all the zemindars are absentees?—The tendency of all the evidence that I have seen is to prove that they are so.

7900. Are the zemindars of Bengal generally absentees?—I understand so.

7901. Where do they live?—I believe a great many are living in Calcutta.

7902. Does the number of such zemindars bear any proportion to the number of zemindars throughout Bengal?—I am not prepared to give evidence on that subject.

7903. You said that they were absentees?—I understand that the great bulk of them are absentees.

7904. Mr. *Hume.*] You have been understood to say, that although the cultivation of cotton is not now profitable to the ryots, if certain suggestions which you can offer were adopted it might be made so; will you state what those suggestions are?—At present, it is not the interest of the cultivators to grow other than inferior cotton. I have tried to explain that, owing to the system of advances by the banyans, they get no more for good cotton than for bad. That could be remedied by the Government advancing to the cultivators. Then it is necessary that Europeans should have establishments up the country for the purpose of buying it from the cultivators. I have stated that they cannot do that at present without making advances and that the advances are insecure; but by the Government making advances, you would remove that difficulty. As I have stated also, you cannot expect any great improvement, without improved means of conveyance, nor without irrigation in dry seasons, which has a great effect upon the quality of the crop. At present, a bad season not only destroys the crop and destroys a great many cattle, but it injures the seed. We all know the value of having good seed in this country for cultivating wheat and other things, and it is just the same as regards cotton; you cannot improve the quality unless you have good indigenous seed. Even American seed, which is imported, fails and is deteriorated, unless the land is irrigated at the proper time. There is also another thing to be considered. In addition to the losses to which Europeans would be liable if they undertook to make advances, there is a very great practical difficulty in the enormous staff it would require in order to make the advances.

advances. To get enough cotton to load a ship, you must advance to 5,000 or 6,000 people; for which you would require an immense staff, maintained at an enormous expense; whereas, the Government have already their officers, who could do it without any additional expense. *A. S. Finlay*, Esq. 4 July 1853.

7905. You think that advances could be made by the Government officers already established, to a sufficient extent to enable the cultivators to produce their crops?—Yes.

7906. The repayment of those advances could be secured by those officers who have the first lien for the land-tax on the produce?—Yes.

7907. Are the Committee to understand from you that the great number of individuals required to produce any considerable quantity of cotton, and the expense of superintending them, must place the purchasers of cotton in a very difficult situation, unless they have the means of securing returns for every advance which they make?—It is undoubtedly the case; so much so, that we shall withdraw our agency from that quarter unless the Government undertake the advances.

7908. The petition which you come here to support suggests an alteration in the revenue system; are the Committee to understand that the present mode of levying taxes on the ryots, who are already poor, is objectionable, and that you would recommend that a fair proportion of the taxation should be levied from those who are rich?—I should like to see that principle adopted.

7909. Do you consider that the present class of ryots are so poor that unless they have advances and are relieved from a portion of their present taxation, we cannot expect them to resume a comfortable situation?—I can prove the necessity of making advances by a letter from one of the collectors, in which it is also suggested that the only means of increasing the revenue is by increasing the cultivation of export produce. It is of no use increasing the cultivation of grain, of which they have already sufficient.

7910. You mean to say that the market for grain being limited, there can be no increase, while the market for cotton being unlimited, it could be increased to any amount?—Yes; this is a letter from Mr. Elphinstone, in which he says, "There is no doubt that the poverty of the ryots keeps down the cultivation and the revenue. The ability of the ryots to cultivate is proportionate to the amount of plough oxen he can command; a man with two pairs of bullocks will cultivate double what he would do if he had only one pair. Those who have no bullocks cannot cultivate; two people, each with one bullock, make up a pair, and cultivate least of all for two. If money sufficient is advanced, seed, bullocks, labourers, and grain, food for the men and cattle is purchased. If only grain were grown, Government might fear its becoming too cheap to pay, and so discourage what might seem over-production; but cotton being an article of exportation, to pay for which large sums are yearly sent up from the Presidency, no fear can be entertained that too much will be produced; and it is particularly deserving of Government encouragement." The following also is a very important statement upon that question: "There is perfect truth in what Messrs. Ritchie, Stuart & Co. state, that the granting of advances to the ryots is immeasurably more for the advantage of the state revenue than to the interests of the firm, because the latter has agreed to give for American cotton 10 per cent. higher than the bazaar rate of the indigenous cotton in the bazaar. The native merchant, by grinding terms, makes cultivation redound more to his own profit than to that of his debtor, the ryot cultivator. But imprudence and their necessities compel the ryots to resort to money lenders, or else they are forced to reduce their agricultural operations to the smallest scale consistent with a mere maintenance to themselves." In another letter is shown the increase of cultivation, from the system of advances which we introduced; Government making advances in our name. I do not see why the Government should not make advances directly.

7911. You say that the experiment which has been tried, of making advances through the Government officers, has been attended with great success, but that if the system were generally adopted the produce of cotton would be very great?—If the advances were made by the Government, I think it would. I should not like it to be understood that the experiment has been altogether successful, because it has not been made hitherto on the proper foundation; there has undoubtedly been an increase; but I wish to guard my evidence to this extent.

The

A. S. Finlay, Esq.

4 July 1853.

The system cannot be carried on as it is now. The advances should be made by the Government.

7912. If the principle on which the experiment has been made by you were carried out by the Government you consider it would be successful?—Yes.

7913. Mr. *Elliot.*] Are the Committee to understand that the system of Government advances upon your part has proved successful?—I had rather put it in this way, that the advantage to the ryots from the system of advances has been proved. I should not like it to be said that the present system of advances is a good one; I think, on the contrary, that the system on which these advances have been made is bad, and that the Government ought to do it all themselves.

7914. *Chairman.*] You mean that the system of your advances being made through the Government, has been productive of benefit to the ryots?—Yes.

7915. Mr. *Elliot.*] In the event of the Government making the advances in the way you now propose, would not this effect be produced, that if there were a profit, you would obtain the profit, and if there were a loss the Government would suffer the loss?—No; the Government could not suffer any loss, because they have the power of laying hold of the crop whenever they choose.

7916. Sir *T. H. Maddock.*] Suppose the crop fails?—If the crop fails, they lose the revenue, at any rate.

7917. *Chairman.*] You gave security to the Government, did not you, for the advances which were made?—Yes.

7918. So that in case the Government could not recover from the cultivators, they could recover from you?—Yes; we did not consider that risk to be great.

7919. But still you were responsible?—We were; we consider that it is objectionable, and many mercantile houses would not like to do it.

7920. Mr. *Elliot.*] In the event of the crop failing, would not the Government lose their advances?—It does not follow; that, however, is a matter of detail which I cannot answer. I do not think it is necessary that they should lose them, though they might not get them repaid that year. If the whole system were altered, as I propose, and irrigation and roads introduced, I do not see how there could be a failure of the crops.

7921. If the crops failed, would not the Government that year lose the advances?—If the country is irrigated and there are roads, there is no risk of loss; but even if the crop did fail for one year, from some unforeseen circumstances, there is no reason why the advance should not be recovered in the following year.

7922. In that year the Government would not be able to recover their advances? It is possible.

7923. And they would become a charge upon the ryots for future years?—Yes.

7924. Therefore there would be a greater difficulty still in future years in realising the revenue, and the advances which would be due to the Government?—I consider the risk of that to be nothing.

7925. But you consider the risk to the person who advances money, not being the Government, considerable?—If the land were irrigated, and roads are made, I should not be afraid myself to run that risk if I were in the position of Government.

7926. If the land were irrigated and roads made, you would not require the Government to make advances?—That does not follow as a necessary consequence.

7927. Sir *T. H. Maddock.*] There are persons who speculate in sugar, in indigo, and in silk; to all those persons, I suppose, it would be an advantage that somebody should make advances to the ryots, would not it?—I suppose them to be made for all crops.

7928. Is your calculation of the amount to be advanced based on the supposition that the Government will make advances on account of all crops?—Yes.

7929. Grain crops?—Whenever it is necessary, I consider it is the duty of the Government, holding the position they do in India, to advance to the ryots.

7930. According to that plan the Government would take the place of all the banyans of the country?—I think it is most necessary for the benefit of the country that that class should be held in check by the Government making advances.

7931. Mr.

A. S. *Finlay*, Esq.

4 July 1853.

7931. Mr. *Hume*.] Would not the Government in that case rather occupy the position of a landlord, and make those advances to assist the poorer classes? —According to my view, they would then but perform the duties of landlords, which they do not do now.

7932. You consider them, as in fact, the landlords of India generally?—I consider they are called on to perform the duties of landlords.

7933. Mr. *Elliot*.] Have you made any calculation what sum the advances would amount to for the whole of India?—I have not; whatever it is, the Government should do it; the larger the advances the more their profit will be; I think they could, with great advantage to the ryots, and while doing them a great benefit, raise a revenue of three per cent. upon the whole sum which they advanced.

7934. Sir *F. H. Maddock*.] You are of opinion that, under this system, the Government would be able to increase very greatly its direct assessments, particularly in those districts which have periodically to be re-assessed?—Yes; in all districts I consider that would be the case.

7935. *Chairman*.] The next prayer of the petition is, that the East India Company should be personally restrained from again making advances upon the hypothecation of merchandise, unless on the ground of necessity shown. Is not that really carried into effect at present; the Company do not usually make such advances?—No, they do not; what the merchants wish is, that they should have timely notice of any intention of doing it, because it deranges very much their own transactions; it affects exchanges so much; we have seen it make five or six per cent. difference in the course of a fortnight, which is very detrimental to commerce. I dare say the merchants would be satisfied if it were ordered that the advances should only be made in a case of extreme necessity, and that timely notice should be given.

7936. The power ought to be left within the reach of the East India Company, in order to make all funds from India available in England; is not that your opinion?—If that were the understanding, I think it would be sufficient.

7937. You are opposed to advances upon goods for shipment, but in favour of advances upon growing crops?—That is a very different matter. It is rather an evil in some respects to advance upon shipments, because in reality the Company provide the capital where it is not wanted. There are plenty of merchants in Calcutta and Bombay to provide funds for making the necessary shipments, but there are not in the interior of India.

7938. If there are plenty of merchants who have money to make such advances, the Government then only comes into competition with those merchants; and if the merchants can do it as favourably, or more favourably, than the Government, no injury is done to trade?—The competition is injurious. The practical effect is, that it introduces into the trade men having no money whatever. Men have made enormous shipments of produce both from Bengal and Bombay, by getting the full amount advanced. The Government having no means of knowing the value of the produce, instead of three-fourths, needy merchants demand an advance of the whole value, and sometimes more.

7939. Is not it an inducement to the increase of cultivation if the grower of a particular description of produce knows that he can get an advance upon it for shipment to this country?—The grower does not benefit by it generally.

7940. There will be more buyers, will there not?—I think not; a trade of that sort is only carried on by fits and starts. If it had the effect of keeping the prices always higher, it might to a certain extent do them some little good, but in my opinion any rise in price in Bombay or Calcutta, for the reasons I have stated before, is little felt by the cultivator; the benefit is felt, generally speaking, by the native who buys the crop.

7941. As a general principle, you would consider, would not you, that a knowledge that facilities in the way of advances of money upon the shipment of goods could be obtained, would be an encouragement to production in that country?—On general principles it would be so, but those principles, I think, are not applicable to India.

7942. The same objection would of course exist to advances made by bankers as to advances made by the Government?—Yes, except that bankers can better look after their own interest; they have better means of knowing the value of the articles, and they will not advance so much as the Government.

A. S. Finlay, Esq.

4 July 1853.

7943. Sir *T. H. Maddock*.] They have better means of knowing the capital of the applicant?—Yes.

7944. Will you describe what you meant by the cases of extreme necessity under which you would permit the Government to hypothecate goods?—I cannot state that.

7945. Did you allude to a necessity arising out of the difficulties of the Government?—Matters of exchange are not always easily regulated. At present they can get as much money as they require in this country, by selling their bills here drawn upon India, but it is possible that that could not be done always; then the only way would be to get bullion remitted from India, which might also be inconvenient. If their usual modes of getting money home were not available, then, of course, you could hardly say that they should not have the advancing system left open; but it should be, perhaps, a last resort.

7946. Is it possible that such a state of things should ever arise, that the Government would not be able to raise its 3,000,000 a year by bills drawn on India?—I think so. except at a very ruinous rate of exchange; it is possible to lower the exchange sufficiently. Of course, if you sell your bills sufficiently cheap, there will be always the means of getting the money, but that can hardly be rendered compulsory on the East India Company in extreme cases.

7947. *Chairman*.] Were you in England in 1847?—Yes; that was an exception.

7948. Do you believe that in the autumn and winter of that year the East India Company could have sold its bills on India?—Not to any large extent.

7949. Sir *T. H. Maddock*.] How long is it since the system of hypothecation has been discontinued?—I do not know. We have not had much to do with it in Bombay. I think it is three or four years.

7950. About the year 1850?—Yes.

7951. Are you aware whether the exchanges have been more even and regular since the cessation of hypothecation than they were before?—Not much so; indeed I do not think they have been at all.

7952. Have been more irregular than they were before?—I think they have; I think they have been as irregular during the last 18 months as they ever were.

7953. If that is the case, should you attribute it to the discontinuance of that system?—No; I attribute it to other causes altogether.

7954. *Chairman*.] The next question referred to in the petition, is the question of making gold coin, as well as silver coin, a legal tender; is it your opinion that that would be desirable?—Yes; my reasons are, generally, that it is of immense importance to the commercial classes, that they should have at all times a sufficient currency. The evils of a deficient currency are hardly to be calculated; it leads to commercial failures; and I am of opinion that this country has been brought to the brink of ruin by the want of a sufficient currency. There are other reasons why they should have a gold coinage in India; for instance, it is a metal which is more easily sent up the country, and it is more easily kept by the natives. In fact, for all purposes gold is a more convenient metal for making payments than silver, because it is more easily carried. Formerly there were objections to a gold currency, because there was not enough gold. It may be said by some, gold might do very well by itself, but we object to having a double currency. I myself do not see any objection to a double currency.

7955. Are you of opinion that it would facilitate payments from India to the mother country if the precious metal, which was a legal tender in the mother country, were a legal tender also in India?—Yes, it might be a great advantage to this country if India had a gold currency. For instance; supposing another crisis to occur, such as took place in 1847, when there was a deficiency of gold in this country, the exchange probably at that time would be in favour of bullion remittances; but if in India merchants have only a silver currency, they can only remit silver, which would be of no use as currency when it came to this country, as we know from our experience in 1847. If, however, they had a gold currency, they could remit gold, which would be a great relief to the currency of this country.

7956. The drain of silver from India, as against gold from Australia, would only take place in proportion as the profit was found to arise from that operation?—Certainly.

7957. So

A. S. *Finlay*, Esq.

4 July 1853.

7957. So that while there might be a considerable inducement to carry it on when gold in Australia was 60 *s.* an ounce, there would be no inducement when gold was 77 *s.* 6 *d.* an ounce?—Precisely so.

7958. Sir *J. W. Hogg.*] Do you think there has been any deficiency in the circulation of India?—There has at times.

7959. Have any of the banks in India, more especially the Government banks, ever issued notes to anything appr aching the extent to which, by law, they have been authorised to issue them?—I think not lately; I do not, however, know so much of the currency of India of late years, since banks have been established. When I was there, there was no bank but the bank of Bombay, which was established just as I was leaving; therefore my experience of the currency in India was when it was purely a metallic currency.

7960. You know nothing of the currency of India probably since 1838?—No.

7961. As regards the people of India, I suppose there can be no doubt that that a silver and copper currency is more calculated to supply their wants than a gold currency?—For the small payments which are made among the cultivators, I have no doubt it is so; but there are large sums sent by the Government to different parts.

7962. Taking the great mass of the population in India, is not what they require a very small coin; the difficulty being to make the coin small enough?—For such payments small coins are necessary; but in India the practice of hoarding the precious metals prevails. Gold is more easily carried about the person, which is the usual way of keeping it, than silver.

7963. Have you no apprehension that if there were a double standard, the gold would drive the silver out of the country?—I have not.

7964. Mr. *Mangles.*] Have you ever considered the question what has become of the great preponderance of the imports of silver into India over the exports from it during many years?—Yes, I have thought of it; I never could obtain any exact returns on the subject, but I have a general idea that it goes up into the interior of Asia, and comes back in some roundabout way by China and other countries.

7965. What road is there into the interior of Asia except by the mountains of Affghanistan?—I suppose there is no other way, except by sea through Persia.

7966. Does any considerable portion of the population go by that road?—I do not know, and cannot give any particular explanation of this fact.

7967. Are you aware that the preponderance of imports over exports has been very enormous?—I have not the returns. I had some conversation with the mint officer in Bombay, and he told me that a large quantity was annually coined and disappeared in a manner which he could not account for. The disappearance of the silver specie is one proof that there is a large circulation of money through the country.

7968. Sir *T. H. Maddock.*] Has your recommendation in favour of establishing a double currency in India reference principally to the transactions of the Government with the people, or to the transactions of the people among themselves?—It is with regard to the general transactions of the country.

7969. You spoke of gold as being a more useful metal for transport?—Yes.

7970. Are not you aware that all money transactions in India of any extent are carried on by bills of exchange from one part of the country to another?—They are so in this country, and in all countries it is the case, to a considerable extent. The payments in specie in India are also very large, at least they used to be; you cannot carry on a large trade without bills of exchange.

7971. In what way would the establishment of a double currency in India operate in favour of the money market in England in a crisis of difficulty, such as you have alluded to?—A crisis is caused in various ways; one effect of a crisis is, that it discredits bills of exchange. The largest transactions in this country are carried on by means of bills of exchange; when they become discredited, payments which were before made in bills of exchange must be made in specie or bank notes, besides that, bankers and others keep larger balances of specie; there is a much greater demand for it. The circulation which in times even of brisk trade might be sufficient, would not be sufficient in a great crisis, when bills of exchange were discredited; therefore a much larger circulation is required for the wants of the people. In 1847 the specie in the Bank of England was reduced so low that there was very great danger to the whole commerce of the country;

A. S. Finlay, Esq. if we had had a silver currency at that time, we could have obtained plenty of silver from France and the neighbouring countries. Before the recent discovery of gold mines, there was not sufficient gold to be had in other countries to make up the currency which we then required. The crisis of 1847 and previous ones were checked by the Government allowing an extra issue of notes to represent specie.

4 July 1853.

7972. I think you observed, in a former answer, that on that occasion the silver remitted from India was of very little avail for the relief of the Bank?—Yes.

7973. What greater relief would be afforded by a remission from India of the same value in gold coin?—The coin would be circulated and payments made with it.

7974. The great advantage which you contemplate is, that you would recoin the gold coin of India in a much less space of time than you could recoin silver at our Mint?—You cannot make payments in silver; it is of no use coining silver, for you cannot make a payment of above 40*s*. in silver; if you had a double currency you could make payments in silver as well as in gold.

7975. Mr. *Hume*.] In speaking of a double currency, have you any means of stating what should be the relative value between gold and silver?—That must be settled by persons more conversant with the relative value of gold and silver than I am; it is a matter of detail.

7976. Are you not aware that the maintenance of both gold and silver as a currency in a country must depend upon their relative values?—If one were made too cheap it would have an injurious effect, and expel the other.

7977. Is there any means by which you can prescribe what the relative value should be?—I think there is no reason why you should take any other relative value than that which is established in France, and what formerly existed in India, 15½ to 1.

7978. Mr. *Mangles*.] Has the trade of Bombay increased much of late years?—It has.

7979. The import trade?—Yes.

7980. How do you reconcile that fact with the alleged impoverishment of the country?—The greater part of the import trade in Bombay does not go into the interior, it is sent to Persia, and up and down the coast. The exports have also increased. What I have tried to prove is, that the cultivators have not gained anything by our trade; their condition is not much improved by the profit which is made from trade. Any profit made in India by increased trade does not go to the cultivator, at least, a very little of it; he receives a bare subsistence, his means being taken from him by the banyans and others.

7981. Has not there been an increase of consumption in India?—I have no doubt there has.

7982. Is that reconcileable with the allegation of the general impoverishment of the country?—The great consumption is in the towns and villages; I doubt very much if the consumption among the cultivators has increased.

7983. *Chairman*.] The next subject referred to in the petition is the administration of justice; the Committee have received a great deal of evidence upon that subject; do you wish to add anything to what has been already stated?—No; I have nothing new to state upon that point.

7984. With regard to the police, is there any evidence which you desire to give?—The Committee, no doubt, have had full evidence upon that subject, to which I need not add anything.

7985. In matters connected with the customs, and others connected with the inland revenue, there is stated to be a want of promptitude in the means of obtaining redress; have you any facts upon that subject which you wish to lay before the Committee?—No; I think the meaning of that statement is this; that the local Governments are so bound down by the Supreme Government, that they cannot give the answers which are necessary. Reference is made to the Supreme Government, and then the Supreme Government refers the matter home; and the merchants eventually get no answer at all. I think that is the ground of their complaint.

7986. Does that apply to any case in which the merchant has a complaint against the Customs department?—There have been a good many instances of it, but I am not prepared to state one. The fact is so well known, that very few merchants

merchants now make references of that sort to the Government, because it is known that they cannot give an answer. *A. S. Finlay*, Esq. 4 July 1853.

7987. Mr. *Hume.*] To what particular department do you refer?—I refer chiefly to the Customs, and indeed to almost every department of the Government.

7988. Mr. *Elliot.*] Can you state any instance of that nature?—I am not prepared to give any instance at this moment.

7989. *Chairman.*] Is the present system of postal communication between Bombay and England upon a satisfactory footing, in your opinion?—I do not think we have any great complaints to make with respect to Bombay, except that I think it might be accelerated by having better steamboats. I think the whole postage system in India might be very much improved, more especially in the interior; of course I cannot say how that could be done.

7990. Mr. *Elliot.*] Are you aware that orders have gone out for the establishment of a penny postage system in India?—No.

7991. Then your calculation of 100,000 *l.* gain upon the Post-office is not made, having regard to that fact?—It is not.

7992. Sir *T. H. Maddock.*] Would you recommend the present line of postal communication to be continued, or would you prefer one through the Persian Gulf?—I have no doubt that one through the Persian Gulf would be the most direct course to India, if you had a railway from Aleppo to Bassorah.

7993. Mr. *Mangles.*] Are you aware of the state of the law in this country with regard to differences and litigations between the Customs department and private individuals?—I am not.

7994. Are not you aware that the Government here pays no costs?—I am.

7995. What is the state of the law in India?—I have never had any actions with the Government. I suppose they pay their own costs.

7996. Are not you aware that the Government of India placed itself many years ago on a footing of perfect equality with all its subjects in every case of litigation?—I am not aware of it, but I daresay it is so.

7997. Is not that a great advantage?—I do not suppose the merchants would generally go to law in such cases.

7998. Are not you aware that many people in India do go to law with the Government?—Not upon Customs matters.

7999. Does not that show that the people are not subjected to much grievance?—It does not exactly show that, I think

Murray Gladstone, Esq., called in; and Examined.

8000. *Chairman.*] A PETITION was presented to the House of Commons, and has been referred to this Committee, signed by Robert Barnes, the mayor of Manchester. That petition represents the sentiments of the Chamber of Commerce and the Commercial Association of Manchester, does not it?—The petition was got up by the two bodies; they met and amalgamated their views as well as they could. There was, as usually occurs in such cases, a compromise; one party wanted more and the other wanted less; but generally those are the views which the Manchester gentlemen desire to impress upon the Committee. I had no hand in drawing up the petition, and it was only when asked by the East India and China Association of Liverpool to attend the Committee that, upon their request, I looked into their petition. Having examined the Liverpool petition, I found the one from Manchester entered upon so many points, that it was better that I should keep entirely to that which had emanated from our own body. *M. Gladstone*, Esq.

8001. You now attend, I believe, at the request of the Manchester Commercial Association?—Yes.

8002. Will you put in and read the petition to which you refer?—"To the Honourable the Commons of the United Kingdom of Great Britain and Ireland, in Parliament assembled. The Petition of the Bankers, Merchants, and Manufacturers of Manchester, in public meeting assembled, showeth, That Her Majesty's Ministers having announced an intention to submit to Parliament during the present Session, some measure for the future government of India, your petitioners are anxious to record their dissatisfaction with the limited extent of our commerce with that country, and their regret that so little

M. Gladstone, Esq.

4 July 1853.

progress has been made in the development of its rich and varied resources. That your petitioners are of opinion that, in any enactment of the future government of India, the following suggestions should be adopted: Firstly, that it be regarded as the imperative duty of the Government of India to promote the cultivation of the soil, and to remove all obstacles which impede the progress of industry. Secondly, that beyond making useful experiments, the Government should not be permitted to become cultivators, manufacturers, or traders. Thirdly, that in conducting their financial operations, the Government should be forbidden to become purchasers of any kind of produce on their own account, or to receive, by hypothecation, produce purchased by any other party. Fourthly, that the Government be compelled to expend a portion of the revenues collected in India in the development of the resources of the country, as well as to afford every facility for its profitable occupation; that with this view such public works should be promoted as are calculated to facilitate intercourse with, or improve the physical condition of the population, to increase the production of cotton and other valuable raw materials, as also to encourage a system of general industry. Fifthly, that 10 per cent. of the revenues of India be applied to the public works above alluded to, such as the construction of trunk lines of railways, the formation and improvement of roads and bridges, the deepening and other improvement of rivers; the formation and care of reservoirs and canals; the erection of piers and construction of harbours, breakwaters, lighthouses, and all other engineering agencies required in a civilised and commercial country. Sixthly, that the application of the portion of revenue allotted to useful public works be under the control of a Board of Public Works established and conducted in India, the members of which should have full, extensive, but defined powers, and be nominated jointly by the Imperial Government and the Indian Executive. Seventhly, that the Government should give every facility for the permanent occupation of land, by removing the objections so often urged to a fluctuating land-tax, by encouraging the purchase, for cultivation, of the waste and other lands in India, and by giving such certainty of tenure as will ensure the safe application of capital to the universal cultivation of the soil. Eighthly, that prompt attention be paid to the removal of evils now existing in India, consequent upon the uncertainty of the due administration of justice and the prevailing ignorance of the people. Ninthly, that an annual detailed report on all East Indian affairs should, as was formerly done, be laid before Parliament by a Minister of the Crown. Your petitioners commend the foregoing propositions to the favourable attention of your Honourable House, and humbly and earnestly pray that the same may have statutory effect in any legislation for the future Government of India."

8003. Will you state to the Committee when you were in India, and what were your engagements there?—I was resident in Calcutta for eight years, in connexion with the firm of Gillanders, Arbuthnot & Company, which has been established there since 1825. I came home two years ago. I attended the Committee on Steam Communication, and gave the result of my experience to that Committee. The steam communication has since then been greatly improved. I wish, however, the Bombay communication had been carried out by the contract-boats, for we might have had our accounts several days earlier if the contract-boats had carried the mail.

8004. Your experience has chiefly been confined to Bengal?—It has.

8005. Will you state to the Committee upon what points in this petition you wish to bring your opinion before them?—Upon the hypothecation question; the petitioners make it their prayer, that in conducting their financial operations, the Government should be forbidden to become purchasers of any kind of produce on their own account, or to receive by hypothecation produce purchased by any other party. They trust, however, that question has been settled. There have been no advances made upon hypothecation in India since 1849-50. Public works are a subject that they have thought very much upon; they conceive that the making of roads and communications will be of vast importance, and if you will allow me, I will read upon that point an extract from a letter which I received from our house in Calcutta on Saturday. They are discussing the probability of an increased consumption; and they say, "With our present limited means of transit, such a desirable consummation is not very probable. As a necessary preliminary, we must have good roads to the extremest mart to which our internal commerce extends, instead of the existing state of things. For

M. Gladstone, Esq.

4 July 1853.

For many months of the year the trunk road of India is impassable; and only passable at any time by the slowest and rudest conveyances. Since Government have taken their inland steamers off the Ganges for service in Burmah, the communication by that route is so inadequate, that thousands of packages, consisting even of the private luggage of individuals, are at this moment, as they have been for weeks past, lying in godowns in Calcutta, without any prospect of reaching their destination for months to come."

8006. Have you heard the evidence of the last witness?—Yes; I have.

8007. Without repeating what he said, do you concur in the general tenor of his evidence?—I concur in the general tenor of his evidence. I have no doubt that, upon our side of India, the cheapest possible railway that can be made will be a valuable feeder to the main line. I think, however, we shall require upon our side of India the best form of railway we can get, to be used with steam-power; I mean by the best form, the best for the money. There is a very large population in the country, especially in the North-western Provinces. I think the average of the population of India is about 150 to a square mile, or thereabouts. In the North-western Provinces, it is about 320 to the square mile.

8008. Do you think you could not dispense with a railway with locomotive engines?—I think not.

8009. Do you think that it should be provided by the Government?—I think it must. We see that the Government at the present moment guarantee 4½ per cent. for a certain number of years to the railway which is to be made from Calcutta into the interior. If the railway is unprofitable, the Government must take it over, and I feel quite sure that they could have raised the money at a less rate of interest than 4½ per cent. Then beyond Mirzapore, between Mirzapore and Allahabad, the railway should be begun again and carried up the country, because between Mirzapore and Calcutta you have the river. When the railway is finished, of course it will be so much the better; but there is no cheap and useful mode of communication in the Upper Provinces, except the road, and that I consider to be inadequate, looking to what is required at the present day.

8010. Is there any other topic mentioned in that petition to which you wish to call the attention of the Committee?—The allegations are very general. They state that it is the duty of the Government to promote the cultivation of the soil, and to remove all obstacles which impede the progress of industry. They think that beyond making useful experiments, the Government should not be permitted to become cultivators, manufacturers or traders.

8011. What is your view as to the Government promoting the increase of the cultivation of the soil?—I can only suggest that roads and irrigation should be introduced, and the administration of the courts of justice improved. We think that where a native presides in a court, there should be a European superintendent not far off. We, perhaps, cannot ask that there should be a European superintendent at the head of every native court; but we think that they should be under complete control. The next paragraph of the petition refers to hypothecation. The next is, "That the Government be compelled to expend a portion of the revenues collected in India in the development of the country, as well as to afford every facility for its profitable occupation; that with this view such public works should be promoted as are calculated to facilitate intercourse with or improve the physical condition of the population, to increase the production of cotton and other valuable raw materials, as also to encourage a system of general industry." It is stated, in the statistics published by the East India Company, that if a railway were made to the cotton field of Berar there is a sufficient extent of land there, taking the rate of production in Guzerat and Broach, and the upper part of the Bombay Presidency, as a guide to calculation, to supply the demand for cotton of the whole of England. That is one of the objects with which we consider public works should be made.

8012. Is it your impression that all those works should be done at the cost of the Government, or are there any obstacles now to the application of private capital towards the improvement of the country?—We find no obstacle to the expenditure of private capital in the country. For instance, in the article of sugar, certain merchants in Tirhoot spent no less than 400,000 *l.* in trying to grow sugar,

M. Gladstone, Esq.

4 July 1853.

sugar, but the experiment was unsuccessful. There is no obstacle to a merchant coming in and spending money, but I consider that this is not an object for which a merchant should be expected to come in and spend his money.

8013. Mr. *Mangles.*] Do you wish the Government to engage in the cultivation of those articles?—There is no necessity for the Government to engage in the cultivation of sugar or of any article. We say, if the native merchant had the means of sending down his produce freely to the market, his position would be improved. The Commercial Association has been particularly desirous to avoid all political views in their recommendations. The main object they have in view is to extend the trade between the two countries.

8014. Mr. *Hume.*] Are the Committee to understand from you that, in your opinion, if the facility which would be afforded by railroads and tramroads were given to the producers in the various districts, there would be no want of capital to carry on the requisite trade?—I believe it would be forthcoming readily.

8015. Mr. *Mangles.*] How do you account for the fact that, up to this hour, nine-tenths of the whole of the capital which is employed in indigo is European, and not native capital?—Indigo is an article which will bear expensive carriage, and therefore it is one in which the European can embark his capital. Sugar is an article which almost every native makes. The quantity of sugar exported from India bears no proportion to the quantity which is made in the country. The people eat it themselves when the price is low, and when the price rises they send it down to the coast for shipment.

8016. Can there be a better road from west to east, than is afforded by the Ganges?—The Ganges is almost impassable, from banks and other difficulties, at times; the delays upon the river are so great, that a steam-boat is preferable when you have one. Two private companies were established to work steam-boats upon the Ganges: one of them, the Ganges Company, I think, lost all their boats; the other was the India General Steam Navigation Company; they have done rather better. But when those boats were at their best, the Government boats were running in direct opposition to them, that is to say, they carried at the same time goods which the private boats calculated on obtaining; and those steam-boats now are all taken away. We hear from Calcutta that thousands of packages are lying in Calcutta, unable to get to market.

8017. Why do you suppose that increased facilities of communication alone are necessary to induce the natives to grow cotton and other articles of produce, when you find that in the course of 50 years the greatly increased facility of communication with the indigo districts has not induced the natives to go into that trade?—Indigo is an article which does not so much depend, as some other articles of low cost do, upon a moderate rate of freight; supposing the conveyance is 1 *s.* upon an article which costs 2 *s.*, it is still only 1 *s.* upon an article which, weight for weight, costs 10 *s.*

8018. Is not there a great want of enterprise on the part of the natives?—A very great want of enterprise (in those of Bengal) but very much of that may arise from a prejudice which it is difficult to get over; in time it may be done. They do not know, perhaps, that the rule of the East India Company is permanent; that feeling, possibly, may operate in preventing them from laying out capital; they prefer hoarding, in many cases, to laying out money; they have seen so many changes, or have known of so many changes having taken place, that they do not know when the next change may occur.

8019. Sir *G. Grey.*] Do you mean that they apprehend that the Company will be overthrown by some other power?—It is difficult to define the feeling, but it is one which undoubtedly exists.

8020. Mr. *Elliot.*] Do you mean that there is a doubt as to the permanence of the English Government?—Not of the English Government; but it is a feeling that India rests upon not a perfectly secure basis; they have heard of the great changes which have taken place; they do not know that another equally great change may not come and sweep away all their property.

8021. Have the natives of India any doubt, do you think, of the permanence of the English Government?—There are very few who know anything about it; therefore they can only argue from what they know has happened in their own country, that it has been before times completely changed in its government.

8022. If they have that feeling, what advantage would be gained by the introduction

duction of roads or anything else?—If a road existed to-day, a person who had produce to send to market would have the means of sending it; no road existing, he can do nothing with it. They say "Why should we lay out our money for the benefit of a company which may not last our time?"

8023. If they had a road, would not they have that same feeling?—They might have that feeling; but still, their produce being obtained, they would secure a better return for it than they could do if no road existed.

8024. *Chairman.*] The main improvements to which the Commercial Association of Manchester look are the increase of public works, and an improvement in the administration of justice?—That is the case; in the administration of justice, and in the police.

8025. Mr. *Mangles.*] You think European superintendence is essential to the good administration of justice?—I do.

8026. The Committee has had evidence that the natives might be trusted altogether to administer the whole justice of the country; is that your opinion?—My experience of the native is such, that I consider he is only to be trusted when he is watched. Education is making a very great change in the natives; and it is very important to consider, whether, along with the education which is destroying their belief in their own system, there is not some necessity for giving them a foundation upon which to build up a new one.

8027. Is there any other point which you wish to bring before the Committee?—The petitioners desire that a portion of the revenues of India should be applied to the construction of trunk lines of railways, the formation and improvement of roads and bridges, the deepening and other improvement of rivers, the formation and care of reservoirs and canals, the erection of piers, and construction of harbours, breakwaters, lighthouses, and all other engineering agencies required in a civilised and commercial country. They wish also that the money should be put under the control of a Board of Works. At present, the sum to which the Governor-general is limited is about 5,000 *l.*; that is the sum which he can lay out at once upon the public works; that of course has to be divided among a great many departments. Some of the works have to be abandoned, and others postponed. They wish the Board of Works to have a certain sum at their disposal, without the qualifying reference which is now necessary, that they may expend it in the public works of the country.

8028. Do you mean that they wish a Board of Works to be established at Calcutta, to superintend the whole of India?—No, they wish for such a Board at each Presidency, with funds placed at its disposal.

8029. Do the petitioners mean that there should be 10 per cent. of the revenue of each Presidency applicable to the works in that Presidency?—Yes; they see that the amount expended of late years has been very small, and they consider that a much larger amount ought to be expended upon the public works of the country.

8030. With regard to a gold currency, do you agree with the statements which were made by the last witness?—Yes. Gold ceased to be a coin taken in payment in January last. It had previously been always received in payment of the revenue by the Government, at 15 rupees for the gold mohur, fixing 15 to 1 as the relative value of gold and silver. There is no doubt they were apprehensive that gold would come up from Australia in such quantities, that they would receive payments in gold, and have to make payments in silver; so that it appeared to be the natural step to take to do something of that kind. I maintain that it would have been better to have fixed a lower value, because the real value of gold to silver being 15½ to 1, 15 was tolerably safe; and if that was not sufficient, 14½ to 1 would have made them quite safe. It would be a great misfortune to India if she should ever feel the evils of a want of currency.

8031. Sir *C. Wood.*] Are you sure that the Government have refused to receive it at all, or only that they have refused to receive it at the former rate?—The proclamation runs that they are not to receive it.

8032. Have you any knowledge of the fact beyond what appears in the proclamation?—I do not know that it has been offered to them at a lower value. All that holders of gold can do now is, to take it to the Mint, and there it will be coined at a certain charge. But those coins, although they come out at a certain fineness and mark, are not received as coin in the country; they are simply merchandise; and if you suppose that a large quantity of gold came up

358365

M. Gladstone, Esq.

4 July 1853.

from Australia at a low price, it would be possible to denude the Calcutta bazaar of silver, and produce great distress; because if you give the native gold cheap enough he is sure to take it.

8033. *Chairman.*] With regard to the salt revenue, have you any observations to make to the Committee?—The amount raised by that means is so large, that any proposal to do away with it, and to make up the amount by increasing the duty on imports, would be, in my opinion, a very imprudent step. The amount raised apparently by salt is 2,500,000 *l.* The net amount received from imports is only 740,000 *l.*; so that you would have to provide 2,500,000 *l.* from a source which now only produces 740,000 *l.*

8034. You think it would be better to leave the salt duty as it now is, and not to raise the customs, than to do away with the salt revenue and rely upon an equivalent revenue to be raised by the customs?—Yes.

8035. Mr. *Mangles.*] What is your experience of the administration of the Customs department in Calcutta?—I saw a good deal of the administration at Calcutta, and I considered it to be satisfactory. There is however a great deficiency of arrangements for landing goods at the Custom House. There are no cranes, for instance; and packages are landed on the banks of the river, and exposed to the sun in a manner that often causes them to receive considerable damage.

8036. Mr. *Elliot.*] Have you ever been resident in the interior?—I was at Bombay a short time, and I crossed over to Madras.

8037. Have you been in the interior as a resident?—I have not.

8038. Have you visited the North-western Provinces?—No. We have a number of indigo factories under our charge; we lay out between 20,000 *l.* and 30,000 *l.* annually in the cultivation of indigo.

8039. Mr. *Mangles.*] Is there any difficulty in doing that?—We have frequent difficulties. There are, for instance, the difficulties connected with the courts of law, which every person engaged in the cultivation of the soil must have experienced.

8040. Mr. *Hume.*] Has it ever occurred to you that it would be well to substitute a duty on tobacco for the duty on salt?—I do not think the amount you would raise by that means would be sufficient.

8041. There is no excise on the growth of tobacco in India?—There is none.

8042. *Chairman.*] Is there any other duty which occurs to you, which might be substituted for the duty on salt?—I can see none that would produce a revenue so easily collected as the duty on salt is. The evidence before the Committee as to the increase of trade is so great, that I need scarcely put in any figures on that subject. I find that of British manufactures and twist the consumption in India ranges from 5½ *d.* to about 10 *d.* and 1-8th of a penny per head, comparing it with England, where the consumption in 1847 amounted to 7 *s.* 9 *d.* a head; in 1852, it was 31 *s.* 6 *d.*

8043. Mr. *Mangles.*] Do you believe, under any circumstances, the consumption, taking the ratio of the population, could be as large in India as in England?—You must take it in reference to the wages of labour; measuring it in that way, you have in England an amount used equal to $5\frac{3}{10}$ per cent. upon the wages of labour, estimating them at 15 *s.* a week, or 60 *s.* a month; whereas, taking the wages given in India at three rupees a month, the range is from one-half per cent. to $1\frac{1}{6}$th per cent.

8044. Would not the difference in climate, habits, and social position of the two nations always establish a great difference between the consumption of British manufactures in England and in India?—Yes; it is important to notice that a very small increase to the purchasing power of the natives per man would furnish a very large increase to their power of taking the manufactures of this country.

8045. Mr. *Lowe.*] Is not 15 *s.* rather a high average to take for wages in England?—It is so, perhaps; but a lower scale of wages would have made the disproportion between the consuming powers of the two countries greater.

8046. Sir *J. W. Hogg.*] Is not the little bit of covering which the natives commonly wear generally manufactured in their own country?—Generally.

8047. Mr. *Mangles.*] Has there been a great increase in the consumption of British manufactured goods on the side of India with which you are acquainted?

—Yes;

—Yes: but very much of the increase is due to the lower cost at which we send them out. *M. Gladstone*, Esq.

4 July 1853.

8048. Mr. *Hume.*] Is it not in the lower priced goods that the great increase has taken place?—Yes.

8049. In goods adapted to the consumption of the lower classes?—Yes. The value of plain cottons that went out to the Bay of Bengal in 1832, was 401,000 *l.*; last year, it was 2,227,000 *l.* To Bombay, it was 351,313 *l.* in 1832; in 1852, it was 1,325,000 *l.*

8050. Were not these goods calculated for the very poorest class of the community?—Those figures include all classes; the bulk of the goods would be for the poorer class.

8051. Do you know whether any portion of those imports into Bengal were exported to the eastward or to the Arabian Gulf?—No; some of them were exported to Burmah, and some to Madras.

8052. You consider the increase to have taken place generally in what may be called strictly the Company's territory?—I consider it to be so.

8053. *Chairman.*] Can you give a similar comparative statement of the importation of twist?—In 1832 it was 731,937 *l.*; in 1852, 3,102,256 *l.*

8054. Mr. *Mangles.*] Is that state of things compatible with the alleged continued and continuing inpoverishment of the people?—It has to do with the increased quantity of imports we have taken from that country.

8055. If the people can buy more and sell more, is that compatible with their impoverishment?—The population must have increased very much in 20 years.

8056. Mr. *Elliot.*] Or else they must have improved in condition?—I was not there long enough myself to judge upon that subject.

8057. Mr. *Hume.*] In what exported produce have those goods been paid for?—In sugar, in grain of various kinds, linseed, silk, indigo.

8058. Mr. *Mangles.*] The exportation of oil seeds has sprung up since 1852, has not it?—It has sprung up very lately, chiefly since 1848. With regard to docks and public works, I should wish to state that I sat as one of a committee with Colonel Forbes, who reported upon a dock which was proposed a short distance below Calcutta, with a railway to communicate with the river below.

8059. Mr. *Hume.*] Has anything been done to carry out that plan?—No; nothing has been done.

8060. What was the date of that report?—I do not recollect the date accurately, but I think it was about 1845.

8061. Was the report laid before the Government?—The committtee sat by order of the Government, and it reported to the Government.

8062. Sir *J. W. Hogg.*] You refer to the railway communicating with the proposed dock at Diamond Harbour?—The idea was to let the ships remain at Diamond Harbour.

8063. Are you aware that the subject is now under the consideration of the local government by the desire of the Home authorites?—I am not aware of that. I am happy to hear that it is so. The river is in a terrible state. Between Calcutta and the sea, ships are unable to move with safety unless they have steam; it has been particularly bad lately, because of the dry weather which preceded.

8064. Mr. *Hume.*] Can anything be done to improve the state of the river?—Undoubtedly, the proposed scheme of docks and the communication from Diamond Harbour would be a great advantage.

8065. Mr. *Mangles.*] The state of the river in itself is beyond all human control, is not it?—Scarcely beyond all human control. You can do a great deal for it where the Roopnarain river comes in at the James and Mary; unquestionably something might be done to remove that great sand.

Jovis, 7° die Julii, 1853.

MEMBERS PRESENT.

Mr. Baring.	Mr. Ellice.
Mr. Vernon Smith.	Mr. Mangles.
Mr. Herries.	Mr. Lowe.
Sir J. W. Hogg.	Mr. Bankes.
Mr. R. H. Clive.	Viscount Jocelyn.
Mr. Hardinge.	Sir T. H. Maddock.
Mr. Elliot.	Mr. Newdegate.
Sir R. H. Inglis.	Mr. Spooner.
Sir Charles Wood.	Mr. Hume.
Sir George Grey.	

THOMAS BARING, Esq., in the Chair.

Sir *Charles Edward Trevelyan*, K.C.B., called in; and further Examined.

Sir *C. E. Trevelyan* K.C.B.

7 July 1853.

8066. *Chairman.*] BESIDES your acquaintance with Indian finances, you have been for some 13 years connected with the finance arrangements of this country. The Committee would be glad to receive your opinion as to the mode of accounts, and as to the general system of finance adopted in India?—I have held an appointment during that period at the British Treasury, and have been engaged, not only in carrying on the current financial business, but in assisting in revising and improving various parts of our financial system; and having spent the first 12 years of my active life in India, I have had constantly in view a comparison between the system of English finance and the system to which I had been accustomed in India. The conclusions at which I have arrived are as follows:—The financial system of India is the least perfect and advanced of all the branches of administration in India. In fact, it is still in a crude and elementary state. I well recollect that Lord William Bentinck used often to complain of the complex and unintelligible nature of the accounts. More than once he mentioned to me that he had often thought of sending to England for one of our ablest official accountants, to revise and recast them. I remember that when Sir Charles Metcalfe succeeded to the Government of India, on the departure of Lord William Bentinck, he called for a balance-sheet of the finances, and a document was presented to him which led him to infer that the finances were heavily in deficit. He wrote one of his serious and able despatches to the Court of Directors on that supposition, taking a gloomy view of our prospects, but before the despatch had been sent many weeks, he saw reason to believe that the conclusion at which he had arrived from those accounts was incorrect, and that, instead of a deficit, there was a considerable surplus; upon which he wrote a second despatch, correcting the former. I mention these circumstances, as representing the authority of persons of greater experience than myself. Besides other defects of the system, to which I will allude hereafter, there are two leading imperfections. One is, that there is no periodical revision of the Indian expenditure in connexion with the estimates in the manner which takes place every year in this country in reference to the bulk of our public expenditure. It is true that annual estimates are furnished; but they are sent home to the Court of Directors for general financial purposes, and they are not made the basis and the means of a thorough annual revision of the whole of the expenditure, as is done in this country. Finance committees are also occasionally appointed in India, but a finance committee is a very imperfect instrument of financial revision. Nothing is more transitory and variable than the relation which establishments and expenditure generally bear to the public business to be transacted by means of them. They are continually undergoing a process of repletion and depletion. The establishments which may be

Sir *C. E. Trevelyan*, K. C. B.

7 July 1853.

be quite necessary this year, two years afterwards may be to a great extent superfluous; while in other cases the establishments which were quite sufficient one year, two years after may be quite insufficient. According to the system of finance committees, those redundancies and deficiencies are allowed to accumulate till they become no longer bearable. Then a finance committee is appointed, which revises them, and then the same process begins again till the same necessity for revision occurs. It often happens that before the finance committee has even finished its labours, the parts of the system which they began by revising have become inapplicable and require further revision. A system of annual revision, on the other hand, such as that which prevails at home, effectually meets the case. The whole public expenditure in all its departments, the revenue establishments, the judicial, the military, and the public works, comes annually under revision. For instance, with respect to the important measure which has been in progress in India for a series of years past, of fixing the land revenue, the moment the land revenue is fixed, the establishments for the assessment and collection of it would come under revision according to the annual system, and would be cut down to the point which the altered circumstances would admit of. The other great defect of the Indian financial system is that there is no annual comparison of the whole of the income with the whole of the expenditure, nor any systematic and deliberate apportionment of the surplus for the public benefit according to the circumstances of the time. The Committee will observe, that through the whole of the evidence which has been given before them, two opposite principles have been dwelt on. It has been strongly represented on the one side, that it is absolutely necessary that the Supreme Government should have entire control over the expenditure of the subordinate presidencies, because without it, it is impossible that it can be responsible for the proper regulation of the finances of India; while those who advocate the interests of the subordinate presidencies urge that it is extremely hard and inconvenient that they should not be able to employ a chowkeydar at Cape Comorin, or repair a tank in Tinnevelly, without writing to Calcutta to ask the consent of the Supreme Government, and entering, probably, into a long correspondence on the subject; and there is said to be a total want of reasonable freedom and discretion in the subordinate governments in matters of finance. Then again, with respect to other parts of the empire, it is made a matter of complaint that the inhabitants should not receive their fair share of the surplus revenue of India, for carrying on public works and other beneficial purposes, merely from the accident of there being a local deficit within these districts. For example, for many years past, it has been objected to the Bombay Presidency that their revenue does not cover their expenses, and any expenditure for public works in that Presidency has been very much grudged in consequence; the fact being, that the reason why their expenditure exceeds their income is, that the general policy of the empire requires that a large proportion of the army should be stationed in the Bombay Presidency, in comparison with its revenue. It is quite reasonable and just that all the inhabitants of the British Indian territory who pay taxes and contribute to the general funds of the empire should receive their fair share of the surplus available for general purposes. I conceive the principal causes of this imperfect state of Indian finance to be two; one is, that till the period of the last Charter, when the commercial concerns of the Company were separated from the territorial, the two were habitually mixed up together. That was the policy of the Company, and it led to a very complex and confused state of the accounts. The other cause I conceive to be this: the financial administration is the only branch of the Indian administration which is attempted to be carried on from home. The power of effectually dealing with Indian finance resides in the local central government. That government has to deal with all the exigencies of income and expenditure as they arise, and is in daily communication with all the parties through whom the financial system is carried on; and where the power is, there should be the responsibility; whereas the practice has been to bring all the strings of Indian finance to one point, in the hands of the Court of Directors, who are too far removed from the scene to effectually exercise a current supervision over the income and expenditure of India. That the Government of India is kept in a state of tutelage on this subject will be apparent to anybody who reads the general letters which the Company occasionally send to their Government in India on finance. In those letters the Company take a general review, and point out what ought to be done in each respect;

Sir *C. E. Trevelyan*, K.C.B.

7 July 1853.

respect; and then they call upon the Government of India to do it, often long after the time has passed when it could be effectually done, and after a great deal of loss has been incurred, which might have been prevented if it had been done on the spot, at the proper time. Now it is proposed, in the Bill now before Parliament, to strengthen the Government of India, in a manner which will make it a very satisfactory fulcrum for controlling and effectually dealing with Indian finance. The Supreme Government of India will be detached from all local administration; it will stand in the same relation to all the Presidencies, and it will be very much strengthened by the addition of representatives from all the Presidencies. Therefore I conceive the time has arrived for installing the Government of India in the effective administration of Indian finance; and I will proceed to state the manner in which I think it ought to be done. Our English system of finance, by estimate and budget, and Appropriation Act, is a very perfect and beautiful system. It has not been carried out to the full extent required; but so far as it has been carried into effect, it is, as I say, a very advanced and improved system indeed. In the year 1832, Sir James Graham reformed the Admiralty system on improved financial principles, and the reform so initiated by him has since been extended to all the great departments of expenditure. Commencing early in the year 1840, we have revised the estimates of all those departments on an uniform plan, under votes and detailed heads. We have opened books of account, on the principle of double entry, in each of the departments, under the same general and particular heads. We have enforced the principle, that after the votes have been taken, the appropriations sanctioned by them shall not be departed from, even in the most emergent circumstances, without the previous sanction of the Treasury, the central financial department. We have provided for an annual account, corresponding to the Estimates and Votes, being laid before Parliament, showing the result of the expenditure as compared with each vote, which account is certified by a body of independent auditors, the Commissioners of Audit. Any excess of the votes has to be justified to them, and is reported by them to Parliament. This system commenced in the early part of 1840, and was completed in the year 1846; and the documents which describe it in its perfect state are the Treasury Minute, dated 13th January 1846; the Act of 9 & 10 Vict. c. 92, intituled, "An Act to provide for the Preparation, Audit, and Presentation to Parliament of Annual Accounts of the Receipt and Expenditure of the Naval and Military Departments;" the 24th clause of the Appropriation Act, by which it is provided, "that if the exigencies of the public service shall render it indispensably necessary to alter the proportions assigned to any of the separate services comprised in the aggregate sum granted by this Act for naval services, for army services, or for ordnance services, the department in which such necessity shall have arisen shall represent the circumstances which may have led to it, in writing, to the Commissioners of Her Majesty's Treasury, and it shall be lawful for such department, on Her Majesty's pleasure to that effect being signified by the Commissioners of Her Majesty's Treasury, or any three or more of them, for the time being, to apply in aid of the deficient grant a further limited sum out of any surplus or surpluses under other heads of service in the same department;" and the Treasury Minute, dated 8th September 1846. This system has been in satisfactory operation ever since, and it has not been found necessary to make any material alteration in it. We have been able to carry out the plan in this satisfactory manner mainly by an attention to two important principles; the votes used to be taken for sums due on account of the year, instead of for sums to be actually paid in the year, the consequence of which was, that the books of each department had to be kept open for an indefinite period, till the whole of the claims against that year were settled; in other words, the books could not be closed at all for any practical purpose, and it was impossible ever to make any exact comparison between the results of different years. The other principle has been this: it used to be the practice to deduct the incidental receipts from the sums voted, instead of voting the gross expenditure; these were called credits in aid, and the inevitable consequence of them was to make it impossible to present a full and clear statement of the whole of the expenditure, and very much to confuse the accounts. This has now been altered. The system which I have described in its most improved form, had been previously extended in all its essential features to the British colonies with great success. The old system of finance in the colonies was simply this: the Governor raised what he could on the spot by local taxes, and drew upon

Sir *C. E. Trevelyan*, K.C.B.

7 July 1853.

upon the Treasury for the remainder: but those drafts became so exceedingly onerous, that the Treasury interfered in defence of the public interests, and it was arranged between the Treasury and the Colonial Office, at the time when Mr. Wilmot Horton was Under Secretary of State, that the English system of finance by estimates and Appropriation Act should be extended to the colonies, which it has been: and it has been engrafted upon the political system of the colonies with great success. I would propose that this system should be extended to India in the following manner: first of all, I would revise the annual estimates of each of the Presidencies, dividing each branch of the expenditure, judicial, military, public works, and so forth, under suitable principal and subordinate heads. I would do this on one uniform plan, so as to allow of an exact comparison between the expenditure of the different Presidencies under the same heads; and I would require that when once settled, those heads should not be departed from without the sanction of the Supreme Government, in order that the comparison between the results of different years might not be impaired. Having done that, I would require each of the subordinate Governments, through their executive officers in each department, to furnish a detailed estimate, according to the prescribed form, and I would require those estimates to be sent by the subordinate Governments to the Supreme Government, accompanied by explanatory statements of all the cases in which an increase of expenditure was proposed. One head of estimate will be for public works, and it will be annually for the serious consideration of each of the subordinate Governments, what are the most necessary and beneficial public works at that time. A detailed estimate of the probable income for the succeeding year should also be prepared and sent up to the Supreme Government, with the estimate for expenditure. Those estimates should be very carefully revised by the subordinate Governments before they are sent up to the Supreme Government; and it is an important circumstance that the chief virtue of this system of finance is, that it fixes the responsibility of all the parties concerned in the preparation and revision of the estimates, and especially of the practical subordinate authorities. For instance, the revision which is given to the estimates by Parliament is really of secondary importance, compared with the revision which is given to them by the Treasury under its responsibility to Parliament, and with the knowledge that if any questionable item appears, it will be likely to be objected to in Parliament. When the estimates of income and expenditure have been so sent up to the Governor-general, I would propose that he, with the assistance of his Executive Council, should carefully revise them; that he should then add an estimate, obtained from the Court of Directors, of the probable home expenditure for the same year; that he should then compare the revised estimates of expenditure with the revised estimates for income, and should determine the balance; and that if the balance was on the side of surplus, he should carefully review all the public works which had come up from the different Presidencies in their estimates, and determine how the surplus could most beneficially be laid out. As a general rule, it would be expended in proportion to the population of the different Presidencies; but cases may occur where a public work in a particular Presidency, an anicut, for instance, yielding an annual revenue of 50 per cent., may be so obviously more advantageous than any public works in the other Presidencies, that it may be advisable, in any particular year, to give an advantage to that particular Presidency. Thus the problem which has been found so difficult of solution will be satisfactorily settled. The subordinate Presidencies will have a reasonable discretion, combined with a regulated and sufficient control on the part of the Supreme Government. The Madras Presidency, for example, will be able deliberately to consider what public works it will be most beneficial to carry out during the ensuing year in that Presidency, and the Supreme Government will deliberately consider how far that view is correct, and how far the means can be afforded, out of the general revenues of India, for carrying on those public works. When the appropriation has once been decided on, the Madras Government will be left at full liberty to carry out those public works during the ensuing year; and if in the course of the year it should be found, as must occasionally happen, that the whole of the sums so appropriated cannot be beneficially expended within the year, it will be at the discretion of the Supreme Government, on a representation of the circumstances, to permit the available surplus to be expended on some other analogous public work which may be beneficially initiated or carried on with greater rapidity during the year.

Sir *C. E. Trevelyan*, K. C. B.

7 July 1853.

year. The annual appropriations for native education will follow the same course as those for public works. When the Governor-general, with the assistance of his Executive Council, has so revised the income and expenditure of the whole of India for the ensuing year, I would propose that he should lay his budget before the Legislative Council, comprehending the Executive and the Legislative Members of the Government; that the estimates should be examined into and discussed and voted, item by item; that the result of the votes should be incorporated in an Appropriation Act; that that Appropriation Act should be the law for the ensuing year, and that the only power of departing from any of the appropriations sanctioned by it should be, as already stated, in case of a representation from a subordinate Government of an obvious emergency, or an obvious case of public expediency, requiring that the surplus of one vote should be appropriated to make up the deficiency of others, approved by the Governor-general, according to the rule contained in the English annual Appropriation Act. I further propose that books should be opened at all the Presidencies, on the principle of double entry, under the same general and particular heads included in the estimates, and that auditors should be appointed to see that the several heads are not exceeded without legal sanction, and that the sums voted for one purpose are not misapplied to other purposes without such previous sanction. Then I would propose that a line should be drawn, and the books should be closed on the last day of the financial year, and that the accounts for the year should be made up at the earliest possible date and rendered to the Supreme Government. I have omitted one point which I ought to mention; I would recommend that when the budget has been voted, the estimates, with the explanatory statements and the Appropriation Act, and the proceedings of the Council, should immediately be published in India, and be sent home for the information of Parliament. I would also propose that when the account for the year has been made up, in the manner suggested by me, according to the general and particular heads corresponding with the estimates, that also should be sent home, with a report from the Governor-general, to be laid before Parliament; and as the revenue and expenditure of India are comprehended, for the most part, within the continent of India, the most distant station being Singapore, I believe that the accounts might be made up and sent home within a very short period after the termination of the financial year. The accounts of the Admiralty, which are closed on the 31st of March, are made up and rendered to the Treasury in November in each year, and laid before Parliament at its meeting, although they include expenditure incurred in the most distant parts of the world; and the Indian accounts certainly might be laid before Parliament within the same period. I attach great value to the mere fact of publishing the accounts on the spot, and at the time. I wrote a paper on the " British Indian System of Taxation," in the year 1833, to which I entirely adhere to this day, and there is one passage in it which correctly describes my present view of the beneficial effect of annually publishing the budget of India, which I will read, if permitted. " If Government is only commonly faithful in the performance of the serious trust which has been reposed in it in the management of the public revenue of this great country, the measure of publishing the accounts will be sure to give confidence, and to convince all those who are capable of understanding them (and through them the impression will reach the body of the people), that we really take, and desire to take, no more revenue than is absolutely necessary for the purpose of carrying on the public business of the country. Whether there be or be not a surplus revenue, the effect produced by the annual publication of the accounts will be exactly the same. In either case, it will convince the people that we really take only what is absolutely necessary, and that we desire to take no more. If we did desire to do so, or in other words, if we were dishonest and regardless of our trust, we dare not publish the accounts. The confidence this measure will diffuse will make everybody pay his contribution to the State more readily. Who, whether native or European, would not pay more willingly what he knows is necessary, and what he knows will be well applied, and will soon have before him the means of satisfying himself in what manner it is applied? Everybody will feel that he is a moral instrument, instead of a subject of rack-rent taxation. He will consider himself a member of a great society, in the general prosperity of which he is deeply interested, and has a part assigned to him in common with the others in promoting it. The payment of taxes will by degrees come to be regarded as a duty; and in proportion to the increase

of

Sir C. E. Trevelyan, K.C.B.

7 July 1853.

of confidence in the Government, and the spread of intelligence among the people, they will cease more and more to be felt as an involuntary burden, until they are paid, as they are in the United States of America, with the same good will as any other duty to society is performed. Another consequence of publishing the accounts will be, that all the intelligence and local information of the country will be made available to assist Government in conducting the financial affairs of the country. At present Indian finance is a mystery in India itself, where alone it can be understood, mistakes corrected, and the experience of the country applied to its improvement. The financial secretary and the accountant-general, who are the depositaries of the financial knowledge of the Indian Government, may or may not be highly experienced and intelligent men. Here, as in every other department of the Indian Government, the interests of the State are left to the chance of the qualifications of two or three individuals, instead of calling in the assistance of the country, and putting the business of Government on a secure and intelligible basis. But, however experienced or gifted these two officers may be, their knowledge cannot bear any comparison with that which is possessed by an infinite variety of individuals scattered throughout the country, every one of whom is deeply engaged by his own interests to obtain a thorough acquaintance with his own department of business. If the accounts were published, the attention of each of these individuals would be drawn to reflect upon the manner in which the financial operations of the Government affect his particular business. Government would be kept constantly informed from all quarters regarding the manner in which the taxes affect each of the interests of the country, and a variety of suggestions would be offered by practical men, some of which, at least, would be found worthy of adoption. An essential change would also take place in the feeling with which retrenchments are regarded. The main reason why Indian retrenchment has hitherto been so unpopular is, because people feel no security that what is taken from the stipendiaries of the state will in any respect diminish the burdens of society. The prevalent idea among all classes is, that whatever is gained by retrenchment goes to increase the English tribute, or at the best is applied to the reduction of the debt, and that the last thing thought of is the limitation of taxation or its positive diminution. Under these circumstances, retrenchment is a hopeless, heartless process. It is only adding so much to swell a channel which is perpetually draining off the resources of the country into a boundless ocean, whence they are never destined to return, instead of economising them, with a view to prevent any diminution of those salutary streams which spread over the surface of the country, fertilise, and cause new riches to appear wherever they reach. It appears to be even an act of merit to retain in the country funds which, but for the public officers intercepting them in the shape of salaries, would, it is believed, be sent out of the country without any return. But when, by the publication of the accounts, the Indian public are obliged to yield to the conviction that every saving will go to diminish the burdens of the people, or at least will help to enable the Government to place a limit to further taxation, whereby security will be given to every kind of property, and an impulse to every kind of production, retrenchment will be regarded in a very different light. Saving in the expenses of Government will then become as popular as it is now unpopular, and Government will be relieved from the trouble of looking out for reductions which will be pressed upon it from every quarter. In this manner Government will by degrees derive a strength greater than that of the army, the strength of an attached and confiding people. The army must by no means be overlooked. On the contrary, it ought to be maintained in a high state of efficiency, and every regard should be paid to its just claims; but the army alone will not keep India. We must govern only for the benefit of the people, and make them sensible that we do so, if we wish to keep India. Education is also as necessary to enable the natives to understand our financial system, as to enable them to appreciate every other benefit which they derive from our Government. They ought to be taught the difference between the Indian system of taxation which had always been pursued before, and the English system which will now be adopted. They should be shown that under the scheme which makes the capability of paying the basis of taxation, no kind of property can be secure beyond the limited period of the assessment. No accumulation of productive capital can take place when the resources of the country are perpetually drained from it as fast as they appear, instead of being allowed to accumulate in reservoirs, whence they may be drawn

 by

Sir *C. E. Trevelyan*, K.C.B.

7 July 1853.

by innumerable channels to fertilise and replenish the earth. On the other hand, they should be informed that the English system of taxation is in strict accordance with the true object and meaning of Government, calling upon the people, as it does, to make only that exact degree of sacrifice which is necessary for their benefit; that they may make themselves acquainted with the extent of the unavoidable expenses of Government by means of the published accounts and the explanations which are appended to them, and, that whatever may be produced beyond this, will accrue to the producers, and not to the Government. In this, as in everything else, it is education which must reconcile the natives to our Government. The greatest benefits may be lost upon them, if they are not taught to understand and use them. It is education which must give their ideas an English direction, and teach them to look to better their condition by the improvement, and not by the destruction of our Government and institutions." It may be said, probably, that all which I have stated has reference merely to the regulation of the finances, and that the real point is the existence of a surplus: the improvement of India depending upon the existence of a surplus revenue more than upon any other single circumstance. I conceive that if the finances of India are properly administered, there will certainly be a considerable surplus at an early period, and the grounds of my opinion are these: First of all, I rely upon the searching and effective annual revision which will be given to the whole of the expenditure, which is an entirely new element in Indian finance, the result of which has yet to be tried. I am confident, from the tenor of the whole of my Indian experience, that the effect will be very considerable. Secondly, I rely upon that financial process which has been attended with such admirable effects in this country, namely, relieving the springs of industry, and adjusting taxation so as to interfere as little as possible with the application and the productiveness of capital. So far as that system has been attempted in India, it has been attended with equally satisfactory effects. Not many years since the whole of British India was intersected by subordinate custom-houses, like squares in a chess-board, kept by ill paid officers, and the general trade had to run the gauntlet of all those lines of custom-houses, paying heavily in the shape of exactions at all of them. This system has been entirely swept away, and so has the system of town duties, which scared away the general trade from the towns, besides subjecting the inhabitants to great annoyance. Instead of an omnipresent custom-house, we now have no custom-house except on the sea and inland frontiers, and instead of a long list of articles, amounting to about 150, liable to duty, the articles liable to duty on the inland frontier have been limited to salt sugar, and cotton. The effect has been, that the exports and imports of the valley of the Ganges have doubled within the last 20 years. I do not mean that it is entirely owing to that cause, but I conceive that it is mainly owing to the trade of the country having been relieved from the incubus which the former system imposed. In Bengal the salt duties have been lowered. The salt revenue has recovered, and exceeded its former amount. In Bombay, where not only the transit and town duties, but the very objectionable and vexatious duty called moturpha, have been abolished, the export and import and excise duties have shown great elasticity; therefore, one main means which I rely on for increasing the revenue, is to carry out this beneficial system, and to relieve the industry and trade of India from injurious exactions. I will only mention two instances at present. One is the moturpha, which still prevails in the Madras Presidency, after having been abolished in all the other Presidencies, and which is a most objectionable tax, an income tax without any fixed rate, levied at the discretion of the subordinate officers collecting it, who probably levy, in the shape of exactions, as much more as they receive on account of the Government. The other instance I will mention is the abstraction from the ryotwar system, as left by Sir Thomas Munro, of the very objectionable principle which has since been imported into it, of levying a tax upon the improvement of land. That tax on improvement in the Madras Presidency operates far more effectively in discouraging the application of capital to land than the old tithe system did in England. Nothing which has been said of the evil effects of the insecurity of our land tenures in Australia is to be compared with the injurious influence of this noxious principle in India. The only thing with which it can be compared is the state of the land revenue previously to the adoption of the present excellent land revenue system in the Upper Provinces, which state I have described in the same paper on the

British

Sir *C. E. Trevelyan*, K. C. B.

7 July 1853.

British Indian System of Taxation to which I have before referred. When the moturpha has been abolished, and the ryotwar system has been purged from this objectionable foreign principle, the collection of the land revenue will be very much facilitated. I regard that as a point which has not been nearly sufficiently attended to. I was in hopes that I should have had the means of submitting to the Committee a comparative statement of the expense of collecting the land revenue in Bengal, where the land revenue has been fixed for a long series of years past; in the Western Provinces of India, where it has been fixed for the last 12 or 15 years; and in the Presidencies of Madras and Bombay, where it still has to be fixed. But it appears that the expense of collecting the land revenue is not separated, but is mixed up with the expense of collecting the stamp duties and the sayer and abkarry revenues. It is stated in the paper on British Indian Taxation, written in 1833, that at that time the expense of collecting the land revenue in Bengal was very much less than the expense of collecting the land revenue in the Upper Provinces, according to the system which still prevails at Madras and Bombay; and there can be no doubt whatever, that if the land revenue were fixed in the Madras and Bombay Presidencies, not only would it lead to a great increase of cultivation, and be attended with a great increase of revenue, but the expense of collecting that increased revenue would be much less than that of collecting the present smaller amount of revenue. Although coming under the general head of collection, the two things are entirely distinct. One is the mere mechanical collection of a fixed sum due by certain individuals, which is done in this country by a subordinate class of officers, and which might be done in India, when the revenue is fixed, by a class not much more highly paid; but the other function of the collector, namely, that annual assessment, that annual collectorial legislation, by which he fixes from the recesses of his own breast what each individual shall pay, and which determines to that individual whether he shall be in easy circumstances during the year, or whether he shall be utterly ruined,—and all the subordinate establishments for mapping, and measuring, and reporting upon crops and soils, and all the details of a revenue assessment; all that is a very expensive machinery, and I am confident that if the land revenue were fixed in the Madras and Bombay Presidencies, and the establishments were thoroughly revised, on the principle of reducing them to the point really required for the collection of the revenue according to this improved system, a very great reduction of the expenditure might take place. I believe also, that even in the Upper Provinces and Bengal this reduction has not been carried nearly so far as it might have been. We entered upon a partial system of land revenue assessment in Bengal some years ago for assessing the Muafee tenures which had been resumed. A considerable establishment was then set up; and taking that and other circumstances into consideration, I believe that even in Bengal the establishment for collecting the land revenue might be much diminished. This is a branch of our administration in which the employment of the natives might be greatly extended. The Hindoos have a remarkable genius for revenue arrangements They were always employed by the Mahomedans to manage their revenue. The great revenue settlement of India which preceded Mr. Robert Bird's assessment, was made by Raja Todur Mul, the minister of Ackbar, and those two assessments will stand out in all future Indian history as two great epochs of Indian improvement. Formerly in the Soubah of Bengal, and to this day in Hydrabad, in Lucknow, and in all the native states, the Hindoos have been employed in managing the revenue, and they have a remarkable aptitude for it, as the Mahomedans have for judicial employment; when they are trusted they are found to be quite faithful and honourable in their transactions with the Government. I have known several able and superior Hindoos in the situation of Tehsildars or native assistant collectors, who were worthy of being employed in the discharge of much higher functions than those on which they were actually employed. I principally, however, rely on the result of our general measures for the improvement of India. I rely upon increased value being given to property, and increased facility to all transactions connected with land and commerce, by the improvement of our judicial system, making justice more cheap, and speedy, and economical than it is. I rely upon beneficial public works being carried out. I rely upon a system of irrigation being carried out through the construction of more canals, tanks, and embankments, which at once convert even an arid desert within my personal experience into a flourishing and productive district.

Sir *C. E. Trevelyan*, K. C. B.

7 July 1853.

The elements of sun and water convert even a barren waste in that climate into a garden. Those works are of the most productive kind; and it will be found, on reading the history of India, that those native princes who were most remarkable for their superiority in other respects, always paid great attention to improving the means of irrigation. I rely upon a greatly increased number of roads being made, by which the subdivision of labour will be carried out to the fullest practicable extent, so that every part of the country may be employed in growing that particular kind of produce, or manufacturing those particular articles, for which it has peculiar advantages, and exchanging them with its neighbours, and by means of which the manufactures of England, and other articles of import, will be distributed in increased quantities to every part of the country, and an increased and increasing export of the commodities of India will be sent in exchange. Above all, I rely upon the progressive construction of railroads, by which every description of industry will be promoted, and the whole machinery of society will be stimulated. It is possible to estimate the effect of a single improvement, but it is beyond our power to estimate the effect of that which will give increased intensity to every other improvement whatever, both physical and moral. I rely upon the progressive education of the natives, by which they will be fitted to co-operate with us in every purpose of improvement, both administrative and social, and by which their attachment to our Government will be increased. I rely upon the field of employment for the natives being opened to them in proportion as they qualify themselves for superior employment; and I rely also upon the effect of all these measures of improvement in enabling us gradually and safely to reduce our army. The great expenditure of India has always been the military expenditure. I do not of course presume to give an opinion as to the amount of military force which is necessary at any particular time to meet the exigencies of a particular state of circumstances, but those circumstances for which a military force has to be maintained are, to a considerable extent, in our power; and there are some general considerations affecting this subject, which are of importance. After the Nepaul, the Mahratta, and the Pindaree wars, by which our supremacy in India was established, there was a period of peace and financial prosperity. That was during the latter part of Lord Hastings' administration and the commencement of Lord Amherst's administration; the consequence of which was even an inconvenient accumulation of balances in our Treasury. Then came the first Burmese war, which exhausted our balances and threw us into deficit. Then Lord William Bentinck went out as Governor-general of India, and by his courageous and effective economy, he again restored prosperity to the finances of India; and during the latter part of his and the early part of Lord Auckland's administration we had an increasing surplus. Then came that most unhappy Affghan war, which threw us again into deficit for a series of years, and retarded the progress of improvement in India to an unknown extent. I mention these circumstances to show that whatever we may do in carrying out financial economy in other departments, the vital point is the military expenditure, and that should always be the final object of all our efforts. Another important consideration bearing upon this part of the subject is, that till quite of late years, we not only had to maintain the peace of the whole of India, including all the native states, but we had to counterbalance very considerable and effective armies, maintained by some of those native states. One of them was at Gwalior. The main business of the Agra and Cawnpore force was to keep the Gwalior army, which was full of combustible materials, in check. Another still more formidable army was the Sikh army, which at last broke its bounds, and made a violent irruption into our territory. The main object of the Meerut and Kurnaol force was to keep in check the Sikh army. Now those two armies no longer exist. The Gwalior territories and the Punjaub have been disarmed; no organised elements of resistance whatever exist in those countries, nor, with very limited exceptions, in any other part of India. Speaking generally, we are now the sole military power in India; and if we refrain from offending the religious prejudices of our subjects, and govern them even tolerably well, we have no insurrections to fear. The people of India are a very docile and easily governed people, and if they once become thoroughly persuaded that we have their interest entirely at heart, and that it is our desire to govern India for the benefit of India, and with the co-operation of the natives of India, such a change will take place in the state of native feeling that it will become practicable very much to reduce our military force. Another

subordinate

Sir *C. E. Trevelyan*, K.C.B.

7 July 1853.

subordinate consideration is, that railways will act in a very effective manner in increasing the power of the military force, by making any force which may be maintained, more available for general service. I conclude by again guarding myself against giving what is commonly called a military opinion. I by no means profess to say what military force is necessary under any particular state of circumstances. All I propose is, that we should so act in the administration of the government of India, that a greatly diminished military force may be necessary. As a familiar instance, I will mention, that I am quite sure that if we abolished the Moturpha and removed from the Munro Ryotwar system the noxious tax upon improvements which has been introduced into it of late years, it would give us more strength than a dozen regiments. The only remaining point is, that having to be examined upon the finance of India, I have considered it my duty to go into the two latest accounts of the Indian and Home revenue and expenditure which have been laid before Parliament in obedience to the Act the 3d and 4th William the Fourth, chapter 85, section 116, with the ablest official assistance I have been able to obtain, and the result is shown in a paper which, with the permission of the Committee, I will read. "The accounts presented to Parliament under the provisions of the Act 3d and 4th William the Fourth, chapter 85, section 116, are, first, a return containing a series of 12 accounts respecting the annual revenues and charges, and the cash transactions and debts of the several Presidencies; and, secondly, a return containing the accounts of the Home Treasury, and other statements relating to salaries and pensions. The accounts of the annual revenues and charges of the several Presidencies are neither accounts of gross nor of net receipts and payments. From the receipt side of the account, the charges of collecting the revenues, and the allowances and assignments payable under treaties, are abated; while from the payments are deducted the receipts for unclaimed deposits, compensations, indemnities, and contributions for military protection. Thus, at page 4, the revenues and receipts for Bengal in 1848-49, amounting to 10,11.54,209* rupees, are reduced to a net sum of 7,89,15,235 rupees; and the charges, amounting to 12,44,84,333† rupees, are reduced to a net total of 10,22,45,359 rupees." In fact, the objectionable practice which I described in the early part of my evidence, the taking of short credits, that is, deducting certain receipts from the expenditure, and only accounting for the difference, still prevails in the Indian accounts; and they even go beyond that, for they adopt the same practice on the other side of the account, and take short debits also; that is, from the receipt side of the account they make deductions of expenditure, thereby reducing the receipts below their real amount. "These deductions in the accounts of the several Presidencies for the year 1848-49, amount to 5,95,38,799 rupees. This mode of stating the accounts is calculated to mislead those who may consult them in Parliament. In the general abstract view of the accounts, at page 21 of the Return, the revenues and receipts of the several Presidencies in 1848-49, are stated at 18,227,350*l.* sterling net, and the charges at 19,700,465*l.* net. From both these totals a sum amounting to nearly 6,000,000*l.* sterling has been deducted. This account, No. 10, at page 21, is the general statement of the Indian and Home revenues and charges, which professes to give the most comprehensive view of Indian finance; yet a sum nearly equal to one-fourth of the whole revenue is thus excluded from it. In the accounts of the Presidencies, the sums deducted are stated on the face of the accounts; but this practice has not been adopted in all cases. In the statement No. 9, page 20, containing the charges defrayed in England, the following item occurs: 'Charges general, being for the several home establishments,

* "9,95,09,343" D.
"16,41,823" C.
"3,043" D.
"10,11.54,209"

† "8,29,82,278" C.
"2,09,03,037" C.
"24,98,519" D.
"1,80,98,632" D.
"1,867" C.
"12,44,84,333"

In order to arrive at these gross amounts of revenue and expenditure, the items have had to be picked out of both sides of the account, and to be put together; they are marked D or C accordingly as they have been taken from the debtor or creditor side of the account.

Sir *C. E. Trevelyan*, K.C.B.

7 July 1853.

establishments, and for civil, military, and maritime pensions, recruiting charges, and miscellaneous, deducting charges of establishments put upon outward invoices, and interest realised on investment of cash balances for the year 1848–9, 617,720*l.*' In this case the amount of the deduction is not stated; therefore the actual expenditure for the services described cannot be ascertained from the account. Moreover, it does not appear that the receipts suppressed bear any analogy to the items of expenditure from which they have been deducted." The "interest realised on investment of cash balances," for instance, has no necessary connexion with home establishments. "This practice of introducing net sums into these accounts, instead of recording the whole facts, is carried still further. The Act 3d and 4th William the Fourth, chapter 85, requires that a statement shall be laid before Parliament, showing the effects and credits of the East India Company at each Presidency or settlement, and in England or elsewhere. Such a statement appears in the Home Accounts, No. 3, page 6. The seventh item is thus stated: 'Due to the Government, 26,227*l.*' This item is the difference between two very large claims which have no connexion with each other. The claim on the Company for advances made by the Secretary at War and Paymaster-general for recruiting, pay, clothing, and other charges for Queen's troops in the service of the Company, and for pensions, supplies of stores, &c. paid on their account, is for a continuous service, which has no reference to the China expedition; and the acknowledged liability of the Company for those advances, which is at present probably not less than 800,000*l.*, should have appeared among their debts, while any credit which they may lay claim to on account of advances for the China expedition, not yet sanctioned or voted by Parliament, should have appeared among their assets." In other words, those two large items of the claim upon the Queen's Government for the balance alleged by the Company to be due to them for the expenses of the China expedition, and the claim of the Queen's Government upon the Company for the large arrears due for the ordinary annual advances made at home for recruiting, pay, clothing and other charges of the Queen's troops in the service of the Company, are totally excluded from the account, and the only item which appears is the difference alleged to exist between the two, to the amount of 26,000*l.* "It appears to be worthy of consideration whether the general abstract account, No. 10, at page 21 of the Territorial Accounts, might not be prepared in stricter conformity with the provisions of the 116th section of the Act 3 & 4 Will. 4, chapter 85. That clause requires that an 'account of all the Company's annual receipts and disbursements at home and abroad, distinguishing the same under the respective heads thereof,' shall be prepared. In addition to the account No. 10 being one of net sums, the respective heads of revenue and expenditure are not stated; so that among all these accounts there is no one statement which gives the 'complete and accurate view' of the whole revenue and expenditure of the Company at home and abroad contemplated by the Act. There is another point which calls for remark in these accounts; the classification of the expenditure appears open to improvement. In the first place, some of the heads appear too general to afford clear information as to the nature of the expenditure." The items I refer to are in pages 5 and 17 of the account: "Charges of civil and political establishments, including contingent charges in Bengal, 92,94,705 rupees." "Charges in the territory ceded by the Burmese, 11,81,875 rupees." "Buildings, roads, and other public works, exclusive of repairs, 5,35,688 rupees." "Charges of the Province of Scinde; civil, military, revenue, judicial and police charges, including allowances to ex-Ameers and others, and charges on account of construction of buildings and other public works in Scinde, 48,30,504 rupees;" and "Charges of the Sattara State; civil, judicial and revenue charges, including political stipends and allowances, payable out of the revenues, 28,09,348 rupees." "In other cases, the information is too much scattered; for instance, the military expenditure, besides appearing in the accounts of each Presidency, is scattered over various items of the home accounts, and the total charge for that service is nowhere shown. The cash balances in the s veral treasuries in India, on the 1st of May 1852, are stated at 13,84,06,003 rupees, and in the home treasury, at the same date, at 2,365,848*l.* 18*s.* sterling; together, about fifteen millions sterling," exclusive of upwards of one million sterling invested in Government stock. With a gross revenue which at the outside is thirty millions a year, the Company have cash balances of fifteen millions; while with a revenue of upwards of fifty millions a year, the cash

balances

Sir *C. E. Trevelyan,* K.C.B.

7 July 1853.

balances of the Queen's Government amount only to seven millions. Now the necessity for having a large cash balance is much greater in this country than it is in India, because the debt is much greater. The annual interest of the debt in England amounts to between twenty-six and twenty-seven millions sterling, which has to be paid at two annual periods, whereas the interest of the Indian debt, both at home and abroad, is only 3,000,000 *l.*; and the great bulk of the expenditure of the Company flows out at regular intervals, principally monthly. I desire to guard myself, in all I have said as to the accounts of the Company, against being supposed to impute all these imperfections to neglect. The subject of public accounts is one which is only partially studied and understood, and, even in this country, we have made our principal reforms in the public accounts of late years; so that it could hardly be expected that the accounts of the Company should come up to the improved and advanced point to which our English accounts have been brought under the constant supervision of Parliament, and the continual remarks and investigations of an intelligent community like that of Great Britain. If it should be determined to adopt the system of Indian finance which I have recommended, so that the annual account of the actual expenditure in India should be divided under votes and subordinate heads, with the addition of the annual expenditure for the corresponding period at home, for stores and pensions and home establishments, and interest of home debt, and the actual revenue of the same year, it will give a comprehensive and perfectly clear and intelligible balance sheet, which may be read either in summary or in detail, and will entirely supersede the necessity of the present scheme of accounts. By way of explanation, I wish only to add, that in proposing that the revenue of Madras and Bombay should be fixed, I do not mean that it should be fixed in perpetuity, but merely that it should be fixed for a sufficient period to establish the security of property, and to promote general confidence.

[*The following is the Paper, printed consecutively, read by the Witness in the course of his evidence.*]

East India Accounts.

The accounts presented to Parliament under the provisions of the Act 3 & 4 Will. 4, c. 85, s. 116, are: 1st. A Return containing a series of Twelve Accounts respecting the Annual Revenues and Charges, and the Cash Transactions and Debts of the several Presidencies; and, 2d. A Return containing the Accounts of the Home Treasury, and other Statements relating to Salaries and Pensions.

The accounts of the annual revenues and charges of the several Presidencies are neither accounts of *gross*, nor of *net* receipts and payments. From the receipt side of the account the charges of collecting the revenues, and the allowances and assignments payable under treaties, are abated; while from the payments are deducted the receipts for unclaimed deposits, compensations, indemnities, and contributions for military protection. Thus, at page 4, the revenue and receipts for Bengal in 1848–9, amounting to 10,11,54,209 rupees,* are reduced to a net sum of 7,89,15,235 rupees; and the charges, amounting to 12,44,84,333 rupees,† are reduced to a net total of 10,22,45,359 rupees.

These deductions in the accounts of the several Presidencies for the year 1848–9, amount to 5,95,38,799 rupees.

This mode of stating the accounts is calculated to mislead those who may consult them in Parliament. In the General Abstract View of the Accounts, at page 21 of the Return, the revenues and receipts of the several Presidencies in 1848–9 are stated at 18,227,350 *l.* sterling net, and the charges at 19,700,465 *l.* net. From both these totals a sum amounting to nearly six millions sterling has been deducted. This Account, No. 10, at page 21, is the General Statement of the Indian and Home Revenues and Charges, which professes to give the most comprehensive view of Indian finance, yet a sum nearly equal to one-fourth of the whole revenue is excluded from it.

* 9,95,09,343
16,41,823
3,043
10,11,54,209

† 8,29,82,278
2,09,03,037
24,98,519
1,80,98,632
1,867
12,44,84,333

In the accounts of the Presidencies, the sums deducted are stated on the face of the accounts; but this practice has not been adopted in all cases. In the Statement No. 9, page 20, containing the charges defrayed in England, the following item occurs:

"Charges, general, being for the several home establishments, and for civil, military, and maritime pensions, recruiting charges, and miscellaneous, *deducting charges of establishments put upon outward invoices, and interest realized on investment of cash balances*, for the year 1848–9, 617,720 *l.*"

In this case the amount of the deduction is not stated; therefore the actual expenditure for the services described cannot be ascertained from the account. Moreover, it does not appear that the receipts suppressed bear any analogy to the items of expenditure from which they have been deducted.

This practice of introducing net sums into these accounts, instead of recording the whole facts, is carried still further. The Act 3 & 4 Will 4, c. 85, requires that a statement shall be

Sir *C. E. Trevelyan*, K.C.B.

7 July 1853.

be laid before Parliament, showing the effects and credits of the East India Company at each Presidency or settlement, and in England or elsewhere. Such a statement appears in the Home Accounts, No. 3, page 6. The seventh item is thus stated:

"Due to the Government - - - - - - £. 26,227."

This item is the difference between two very large claims which have no connexion with each other. The claim on the Company for advances made by the Secretary-at-War and Paymaster-general for recruiting, pay, clothing, and other charges for Queen's troops in the service of the Company, and for pensions, supplies of stores, &c. paid on their account, is for a continuous service, which has no reference to the China expedition, and the acknowledged liability of the Company for those advances, which is at present probably not less than 300,000 *l.*, should have appeared among their debts, while any credit which they may lay claim to on account of advances for the China expedition, not yet sanctioned or voted by Parliament, should have appeared among their assets.

It appears to be worthy of consideration whether the General Abstract Account, No. 10, at page 21 of the Territorial Accounts, might not be prepared in stricter conformity with the provisions of the 116th section of the Act 3 & 4 Will. 4, c. 85. That clause requires that an "Account of *all* the Company's Annual Receipts and Disbursements at Home and Abroad, distinguishing the same under the respective heads thereof," shall be prepared. In addition to the Account No. 10 being one of *net* sums, the respective heads of Revenue and Expenditure are not stated; so that among all these accounts there is no one statement which gives the "complete and accurate view" of the whole revenue and expenditure of the Company at home and abroad contemplated by the Act.

There is another point which calls for remark in these accounts: the classification of the expenditure appears open to improvement. In the first place, some of the heads appear too general* to afford clear information as to the nature of the expenditure; in other cases the information is too much scattered; for instance, the military expenditure, besides appearing in the accounts of each Presidency, is scattered over various items of the Home Accounts, and the total charge for that service is nowhere shown.

* *See* the items marked (A), at pages 5 and 27.

The cash balances in the several treasuries in India on the 1st May 1862, are stated at 13,84,06,003 rupees, and in the Home Treasury, at the same date, at 2,365,848 *l.* 18 *s.* sterling; together, about 15 millions sterling.

p. 22. Territorial.
p. 2. Home.

Lunæ, 11° *die Julii*, 1853.

MEMBERS PRESENT.

Mr. Baring.	Sir T. H. Maddock.
Mr. Hume.	Mr. Spooner.
Mr. Hardinge.	Mr. Ellice.
Sir Charles Wood.	Mr. Elliot.
Sir J. W. Hogg.	Mr. Lowe.
Mr. Newdegate.	

THOMAS BARING, Esq., IN THE CHAIR.

Thomas Love Peacock, Esq., called in; and Examined.

T. L. Peacock, Esq.

11 July 1853.

8067. *Chairman.*] WHAT situation do you hold at the India House?—I am Examiner of India Correspondence.

8068. That makes you conversant with the state of the public works in India?—Yes; almost all the correspondence concerning them passes through my office.

8069. The Committee have determined to inquire into works and local improvements executed, in progress, and now under consideration, in India. It will be desirable to know what progress has been made with respect to great works since the year 1834?—I should begin by observing that much more attention has been paid to public works during the latter part of that period than in the earlier portion.

8070. Will you state first, with regard to Bengal, what has been done?—The principal works in Bengal are these: there are canals of two kinds, for navigation and for irrigation, sometimes both objects being combined: the first class includes the Calcutta canals, which are between six and seven miles in length, which form an easy navigable communication round the greater part of Calcutta. They were commenced in 1830-31, and completed in 1836-37; they cost

T. L. Peacock, Esq.

11 July 1853.

cost 164,500 *l.*; the annual charge for maintenance averages 3,100 *l.*, and the tolls 6,600 *l.* By a letter just received, it is proposed to make a new communication between the Calcutta canals and the Sunderbunds. Several canals of magnitude have been under consideration, and either postponed in contemplation of a better plan, or of the probability of their supersession by railways. The Rajmahl Canal is an example. It was proposed to make the canal from Calcutta to Rajmahl, which is 200 miles. That plan, after being modified and considered and re-considered, the Court of Directors rejected on account of the expense and the difficulty of the work, and also in anticipation that railways would supersede canals, and that it would be better to wait to see if the locomotive principle, as it is called, would not take their place. It was in a despatch dated December 1844, where the first mention of Indian railways was made either by the Court or by the Government. The principal works of irrigation have been in the North-western Provinces. The Western Jumna Canals were commenced in 1817. Up to the 1st of May 1847, the expenditure on the original works alone amounted to 12,04,749 rupees, whilst the annual expenditure on establishment was about 70,000 rupees, and on current repairs upwards of 50,000 rupees, the annual direct income being about 3,00,000 rupees. The Eastern Jumna Canal was commenced in 1822. Up to May 1st, 1847, the expenditure on the original works had amounted to 8,14,492 rupees; the annual expenditure on establishment was 34,000 rupees, and on current repairs about 35,000 rupees, the annual direct income being about 1,20,000 rupees. In the Dehra Dhoon, in Rohilcund, and on the Nujjufgurh Jheel, near Delhi, works for draining and irrigation have long been maintained by the Government; many of those are old works. The Doab Canal is for the double purpose of irrigation and navigation. It has been for some time available for the first, but is yet only partially so for the second of these purposes. The most compendious notice of this canal is in the report of the Madras Commissioners, where they give an account of what it has cost, rather with a view of showing the superior value of such works in Madras; still it is very compendious and very correct. The Ganges Canal is a work of great extent and importance; it was sanctioned in 1847 at an estimate of 1,000,000 *l.* An additional half-million was subsequently added to the estimate, more on account of changes in the design than of errors of original calculation. Its principal purpose, and at first, sole purpose, was irrigation; navigation has been subsequently included. Lord Ellenborough's desire was to make it available for navigation, if possible; but it was said that the inclination which was required was greater than was consistent with holding up a head of water for navigation.

8071. Sir *T. H. Maddock*.] Was that objection overruled by the present Government of India?—Lord Ellenborough overruled it to a certain extent. Its course is from Kunkul, near Hurdwar, along a high table land of the North-western Provinces to Cawnpore, 540 miles, with branches of 270 miles; in all, 810 miles. It will fertilise a vast extent of country. The cost, returns, advantages, objections, and changes of plan are briefly summed up and considered in the Court's despatches of 7th July 1847 and 2d June 1852.

8072. To prevent misapprehension, will you state what you understand to be the meaning of high table land, looking to the levels of the country?—Yes; I conceive that high table land is land on which, if water rose, it would divide and go both ways.

8073. Without meaning to express that it has any very great elevation?—I do not mean that it has a great elevation; I mean level land that would cause the parting of the waters. The works of irrigation planned and executed by Colonel Dixon and his predecessor, Colonel Hall, in Ajmere, as detailed in his admirable report on Mhairwarra, present in their result one of the most striking examples which can possibly be found of the fertilising of an impoverished country, and the reclaiming of a predatory people to peaceful agricultural pursuits. The Court of Directors considered these measures so valuable, that they desired that an historical report of them should be prepared by Major Dixon, and that it should be printed and circulated among all public officers who might have the opportunity of rendering similar services in other quarters. This has been done. The publication is most interesting in its details, and most valuable as an instance of intelligent administration systematically directed to beneficial purposes. I will now speak of the Punjaub. On the acquisition of the Punjaub, the British

T. L. Peacock, Esq.

11 July 1853.

Government turned its immediate attention to the maintenance and extension of works of irrigation and public roads there. The Governor-General requested sanction to an annual expenditure of 50,000 *l.* for these and similar purposes. This sanction was gladly given by the Court, and a further sanction was given to an expenditure of 500,000 *l.* for works of irrigation and navigation in the Baree Doab. In the Presidency of Madras some great works of irrigation have been sanctioned. Of these the most remarkable are the Godavery annicut, and the proposed Kistna annicut. The project of constructing an annicut across the Godavery river was, on several occasions, under the consideration of the Madras Government; but the engineering difficulties which attended it were so great as to make them hesitate in giving it their sanction. The plan now adopted was prepared by Colonel Cotton in 1844, and received the Court's sanction in 1846, and the work was commenced in 1847. The work is carried partly over islands, in an oblique line of great length, two miles of water besides islands, which breaks the force of the fall. Its success justified the determination to construct a similar work on the Kistna, a river of great depth and velocity, and presenting greater engineering difficulties. When the plans of the proposed Kistna annicut reached home, they were taken into immediate consideration. They embraced some principles not common in the construction of weirs. The annicut was to be built, not as usual, in an oblique line, but at right angles with the stream, not in the broadest and shallowest, but in the narrowest and deepest part of the channel, and consequently not in the gentlest, but in the most powerful flow of the river. On the other hand, the position selected offered paramount advantages over every other that could be selected. Several eminent engineers, including experienced Indian officers, were consulted on the part of the Court. On the result of the opinions thus collected, the required sanction was given, and no time was lost by this necessary inquiry, because the Government, intending to transfer the Godavery engineers and workmen to the Kistna, only required the sanction in time to prevent the breaking up of the establishment. The sanction was given on the 8th January 1851, but the works have been only recently begun, from the want of engineer officers; they are now in progress, officers having been withdrawn from the Godavery works for the purpose. The Godavery annicut, and the works connected with it, have cost, up to the present time, about 130,000 *l.*: it is anticipated that 110,000 *l.* more will be required, making 240,000 *l.* for the whole system of works, including a most important line of navigation, and 15,000 *l.* of expenditure on roads. The receipt from increased revenue has exceeded the expenditure.

8074. Do you mean that the annual receipt has exceeded the whole of the expenditure?—What the Madras Commissioners state is this: "In 1847 the work at the annicut commenced, and the revenue instantaneously felt the benefit of it. In that first year the collections were larger than in any one of the preceding 11 years, and each of the succeeding six years has shown an advance above the preceding one, with the exception of the single season 1849–50, in which there was a destructive flood in the Godavery, and even in that year the collections exceeded those of any one of the 11 years before the annicut was begun. Nor is this all; in the very first year of the works, and in every subsequent year, the increase of revenue above the previous average exceeded the sum expended on the works, so that the net revenue, after deducting the amount of that expenditure, has been actually greater in every year, even while the works have been in progress, than the average of the antecedent 11 years; and up to the close of the revenue year 1850–51, with which the statement closes, the aggregate amount of such net gain was no less than 6,89,391 rupees. The total expenditure on the works had been 12,65,361 rupees, and the total increase of revenue above the previous average was 19,54,802 rupees, leaving a net surplus gain, as already said, of 6,89,391 rupees."

8075. Are the works now completed?—No, they are not completed; there is still some expenditure going on. The Government intended to complete the Godavery annicut before they began the Kistna, but they have recently sent off some portion of the engineer officers from the Godavery to begin upon the Kistna.

8076. Is the main and heavy portion of the expenditure completed?—Yes. The cost of the Kistna annicut is estimated at 155,000 *l.* The actual cost will materially

T. L. Peacock, Esq.

11 July 1853.

materially exceed that amount, I have no doubt: it is the most difficult engineering work I have ever seen laid down upon paper, it being deep and rapid water, and the works being at right angles to the river. Many engineer officers, both in India and in England, were consulted before it was determined to sanction it. If successfully executed, it will yield an abundant return of revenue. The Coleroon annicuts are works of importance, though of less magnitude, which have materially benefited Tanjore and Trichinopoly, though the Trichinopoly branch, connected with the upper annicut, does not appear to have been attended with increase of revenue; low prices, arising from other causes, appear to have counterbalanced its advantages; but the works, in the aggregate, have been profitable, as well as beneficial. Irrigation from tanks is a point of great importance; these are of two kinds; reservoirs of rain water and reservoirs of river water, created by embankments across the valleys of small streams. Some of these are works of magnitude; one has an embankment 45 feet high and four miles in length, waters 23 villages, and returns 4,300 *l.* per annum; another has an embankment 21 feet high, and nine miles long, waters 149 villages, and returns 11,400 *l.* per annum. The present expenditure on irrigation works is about 104,000 *l.* per annum. The Madras Commissioners recommend that it should be raised to 225,000 *l.*

8077. Mr. *Hume.*] In speaking of the Commissioners, do you allude to those who have drawn up the report just presented to The House?—Yes.

8078. Sir *T. H. Maddock.*] Are any of those tanks modern tanks, or are they all ancient tanks?—I cannot say positively; with respect to those I have mentioned, I believe some of them are old; some new ones have been made, but I cannot classify them without referring to that specific point.

8079. Mr. *Hume.*] Shall you be able to show how many of those tanks are new works, and how many are old works which have been repaired, and also how many of the old works still remain in ruins?—I cannot state that from the materials now before me; I can do it at a future time.

8080. Mr. *Elliot.*] You said that 104,000 *l.* was now expended at Madras; does that include the Kistna works?—I believe so. In Bombay the expenditure on tanks and wells has averaged 6,400 *l.* per annum; there are no great works; the nature of the country does not require nor admit of them.

8081. Sir *T. H. Maddock.*] Have you any other information to communicate to the Committee regarding works of irrigation in the Bombay Presidency, particularly in the province of Candeish?—I will put in an answer to that question. I will now give information to the Committee as to roads and bridges; and first as to those under the Government of India. The length of the great trunk road from Calcutta to Delhi is about 900 miles; it consists of seven divisions; the total length of the road from Calcutta to Peshawur is about 1,420 miles; this road is the great thoroughfare by land between Calcutta and the North-western frontier, and since its completion wheeled carriages have been introduced upon it, by which the Government mails and travellers are conveyed at a much more expeditious rate than has ever before been attained in these provinces, the average speed, including stoppages, being often 10 miles an hour.

8082. Mr. *Hume.*] Are the Committee to understand that the whole of the trunk road is completed?—I think it is finished up to Delhi.

8083. Mr. *Elliot.*] Does that road follow the same track that the old trunk road to Benares and Allahabad followed?—I do not recollect the old line. This work is noticed in the Court's despatch, of 30 January 1850: "The statement submitted to Government with the Military Board's letter, dated 21 August 1846, showed the expenditure to 30 April 1845, as 38,41,489 rupees; the expenditure in the three years succeeding was 10,50,108 rupees, making the total expenditure, to 30 April 1848, 48,91,597 rupees. The estimate for the completion of the works was given, in August 1846, as 43,68,818 rupees, which included 18 lacs for the Soane and Jumna Bridges. In December 1848 it is given as, for the road works, 33,02,507 rupees; for the bridge over the Soane, 6,000,000 rupees; for the bridge over the Jumna, 10,00,000 rupees, making a total of 103,02,507 rupees. The estimate for the completion of the works, after deducting the intermediate expenditure, remains nearly the same in 1848, excluding the Soane and Jumna bridges, as it was in 1845 including them. It therefore appears that there is an increase on the estimate, for road works, of 18 lacs, and a new estimate of 70 lacs for the two bridges in question, making a total addition to the estimate of 88 lacs. We observe, on your proceedings of

T. L. Peacock, Esq.

11 July 1853.

an earlier date, that the Governor-General, in anticipation of railways and in consideration of the great outlay in 1848 on the Ganges Canal and on Aden, had proposed that the construction of all great bridges on this road should be suspended, and that this proposal had been adopted, one exception being made in favour of the Burrakur bridge, inc onsideration of its forward state, and of the great accumulation of materials. The estimate for the maintenance of the road, after completion, was roughly given by the Military Board (21 August 1845) at 350 rupees per mile, or 3,50,000 rupees per annum for the entire distance from Hooghly to Delhi. We attach great importance to the completion of the great trunk road. We desire to see it completed with substantial bridges. Those over the Soane and Jumna should be for the present suspended, but you will carefully consider whether the prospect of a railway through the North-western Provinces is sufficiently near to justify the suspension of any other portion of this great work." There are, on this road, a very great number of well constructed bridges, as will be seen in Lieutenant Beadle's beautiful drawings and plans of the second division of the road, which I have brought to show to the Committee. The construction of the two great bridges has been postponed. The bridge over the Soane was to be three miles long. Its cost was variously estimated from 600,000 *l.* to 1,000,000 *l.* Lord Dalhousie's proposal, that the execution of this and the Jumna bridge should be suspended, was partly on account of the great cost, partly on account of the anticipated progress of the railway, which might render it desirable that the bridges to be there constructed should be suited for railway bridges. It has been said that if the river were three miles wide, the bridge should be five; but the bridge would not materially increase the height of the maximum inundation; there would be a greater velocity through the arches, but according to the description of the flooded river, not a dangerous velocity. Since this despatch of the Court was written, an engineer officer of eminence has stated that he had consulted with Messrs. Fox & Henderson, and they would undertake to build and complete an iron pile bridge over the Soane for about 200,000 *l.* In addition to the expenditure from the General Treasury, special funds are assigned for local public works. The ferry funds yield about 20,000 *l.* per annum in the Lower and North-western Provinces respectively; and in the North-west Provinces there is the one per cent. road fund, a sum to that extent contributed by zemindars on the amount of their assessment; respecting which the Lieutenant Governor of Agra observes, "Whenever the per centage is levied, voluntary engagements have been entered into with the zemindars to that effect, on the condition of their being exempted from the duty of making and repairing the roads themselves." The annual amount of this fund is about 40,000 *l.*

8084. Sir *T. H. Maddock.*] Are you aware to what extent that road is used for commercial purposes as well as for the purposes of Government?—I believe it is used for commercial purposes, and for every description of purpose to which a road is applicable.

8085. Mr. *Hume.*] Is there any toll or charge upon that trunk road for those who use it for commercial purposes?—I think there is no toll; if there is a ferry, of course there will be a toll. In Madras, the Government, some years since, proposed, and the Court approved, the setting apart of 40,000 *l.* per annum for expenditure on trunk roads; out of the amount thus assigned, some large bridges have been constructed, especially those over the Cauvery and Coleroon. The defects of plan and execution in the Madras district roads were noticed in the Court's despatch of 30th January 1850; it is there said, "The roads in some instances, from want of previous survey and other causes, have not been well planned with respect to the line, so that a road on a new line becomes desirable and even necessary for permanent traffic; they have been carried below the level of tanks when they might have been carried above it, and embankments have been broken and bridges carried away by inundations, which, on the higher line, would have been comparatively innocuous; they have been constructed without due provision for their permanent maintenance, so that either the entire road has gone to decay, or one portion of it has become unserviceable, while another portion was in progress of construction. In many parts of the Presidency it is impossible, from the want of local materials, to construct metalled roads, except at an altogether disproportionate cost." Subsequently allusion is made to the great cost and difficulty of constructing

structing a system of trunk and branch roads on a permanent and generally useful principle. The Madras Commissioners, in their Report just received, enter fully on this question. They say, in their recapitulation, "We sketched a system of main lines of communication for the whole Presidency, to consist, 1st, of lines running inland from the coast; 2d, of lines running along both coasts; and, 3d, of roads connecting principal places in the interior. Of these three descriptions we computed that 7,700 miles would be required of what are called first-class roads, besides the subsidiary lines, the mention of which we reserved for the following section. We concluded that part of the section with a discussion upon the degree of perfection which should be aimed at in our roads; contending against the opinion brought forward by the late superintendent of roads, and adopted by the Government, 'that really good roads are not wanted in this country.'" That was an opinion generally entertained in Madras not much more than 20 years ago. "We argued against that opinion, and stated both facts and calculations to show it to be erroneous, and which we think fully bear out the conclusion at which we arrived, that, far from its being true that the common tracks, slightly improved, will suffice for this country, a very moderate amount of traffic is sufficient to pay for making a first-class road and for keeping it in perfect repair, and that it is truly wise and economical to make and maintain such roads."

T. L. Peacock, Esq.

11 July 1853.

8086. What you are now reading is an extract from a Report just presented to the House of Commons?—Yes.

8087. Are there any maps which came home with that Report to show the localities to which it more immediately refers?—No; nothing came but five copies of the printed Report. It is probable that some will come, but none have been received. The Commissioners divide the roads into three classes, "The first composed of the main commercial and military lines of the country; the second of roads to connect towns and places of second-rate importance; and the third, of the village or cross roads, to connect the villages with towns, or with roads of the superior classes." They calculate "that the first class ought to comprise 7,700 miles; the second 20,000 miles, and the third, 150,000 miles. The two former," they propose, "to be constructed by the Government, the last by the people of the respective localities." They estimate the completion of the first and second class at 7,750,000 *l.* sterling, and propose that 20 lacs of rupees a year should be steadily devoted to this purpose. They estimate the ultimate annual charge at 80 lacs of rupees, but are of opinion that tolls will repay a large portion of this outlay. This proposal will of course receive full consideration, but it will be evident from the statements of the Commissioners themselves that the Government cannot, unassisted, undertake this expenditure, and to raise, as proposed, a large portion of the money by loan could not have been, till within a few years, effected at a moderate rate of interest. It will be observed that the Madras Commissioners speak of the parsimony of the Government, but their remarks must be taken to be in a great measure retrospective, for they admit that the British Government found no roads, and for a long time made none, thinking they could not be durable nor materially useful; but that of late years much has been done in these works where formerly the attempt to make them had been all but abandoned in despair. In one part of their Report they say when roads were first begun to be made in the Madras territory, the first rains turned them into ravines down which the water rushed in torrents, and the only use of those watery ravines was to mark out the best line of country to follow, and the people made their way by courses as nearly parallel to them as they could. With respect to roads in the Presidency of Bombay, the great road from Bombay to Agra, on which 35,000 *l.* had been expended, is noticed in the Court's despatch of 30th January 1850; and sanction is given to an annual expenditure of 2,870 *l.* for its repair and maintenance. "This road was laid out with great engineering skill, and the pass down the Vindhya range, by which the valley of the Nerbudda is gained, was an arduous and costly undertaking." Generally, however, the management of roads under this Presidency, as noticed in the above-cited despatch, has been very unsatisfactory, and the report of the Bombay Commissioners is anxiously looked for, in the hope that a comprehensive system of trunk and branch roads and an efficient management of the department may be suggested. An important work was proposed and sanctioned in 1850 and 1851, of a mole two miles in length,

T. L. Peacock, Esq.

11 July 1853.

from Kurachee to Kumara Point, and of a road, also two miles in length, from the camp to the mole. The correspondence on this subject is given in the Appendix to the Sessions Paper, No. 622, of 1851. The estimated cost is 27,500 *l.* In the important works of recent years must be included the great trigonometrical survey of India, and the land revenue survey of the North-western Provinces. From a report on the trigonometrical survey, I will read one passage, if the Committee will permit me: "In reviewing the whole progress of the trigonometrical survey of India, from its commencement by Colonel Lambton, to the year 1848, it will be seen that the grand total of area triangulated amounts to 477,044 square miles, and the grand total of cost to 34,12,787 rupees, showing an average cost of seven rupees, two annas, and five pice per square mile, or about 13 *s.* 1 *d.*, which cannot but be considered remarkably moderate, especially when the nature of the country and climate, as well as the absence of all the usual resources to be found in Europe, are taken into account. The hardships and exposure of surveyors working in the field for the greater part of the year, in such a climate as India, and living under canvass, whilst all other servants of the Government seek the protection of cool houses, are either little known or little appreciated. We have on several occasions kept the field throughout the year; the duties of the trigonometrical survey likewise are often unremitting day and night, because the best observations are obtained during the nocturnal hours, when the dust raised by hot winds subsides, and the atmosphere becomes clear and calm. The fatigue and exposure are trying to the most hardy constitutions, and this history will show how few officers have been able to withstand their effects. The loss of trained officers entails a considerable increase of expense, for their places cannot be efficiently taken by newly appointed officers until they have been thoroughly trained, while the cost of training is always an unproductive item in the account." "With regard to the duration of the survey, it has been already remarked by the late Colonel Blacker, that the question depends on the strength of the establishment employed, which statement is true within certain limits defined by the power of supervision and training; the chief point is the rate per square mile, which I have shown to be on an average 15 *s.* 4 *d.* The survey has been about 48 years in operation, chiefly on a small scale; now, as the area of India exceeds Great Britain and Ireland some 12 times, we have, comparatively speaking, been only four years at work. Since the commencement the object in view has perpetually extended. Successive wars have added continual accessions of territory to be surveyed; the late wars alone have given new kingdoms with no less additional surface than 169,827 square miles, as will be apparent from the following statement: Scinde, 60,240 square miles; Jalandar Doab, and Kohistan, 16,400 square miles; Protected Sikh and Hill States, 15,187 square miles; the Punjaub Proper, 73,000: making a total of 169,827 square miles. The limits of our empire, however, appear to have been at length reached. The total area of British India as it now stands, including Scinde, Punjaub, Jalandar Doab, and Tenasserim, has been carefully estimated at 800,758 square miles, and the native states at 508,442 square miles, making a grand total of 1,309,200 square miles, as the area of survey under my charge. A complete delineation of this vast superficial extent, amounting to one million and a third of square miles confined within an external boundary of 11,260 miles in length, including every variety of configuration and climate, is an undertaking of unprecedented magnitude, demanding considerable time to accomplish with any pretensions to mathematical accuracy. The exertions hitherto made have been unremitting, and it is but justice to say that the progress has been, generally speaking, as honourable to the officers employed as the results have been useful to the country."

8088. Sir *T. H. Maddock.*] Can you inform the Committee whether the trigonometrical survey has extended its operations to the north-western limit of the British territory?—I cannot state that. This survey is not in my department.

8089. Mr. *Hume.*] Does that expense include all the establishment employed in the survey?—Yes, it includes the entire expense of the survey. The last land revenue settlement of the North-western Provinces, which came to a close about 1842, was founded upon a scientific survey of the whole country. This cost the Government 23,56,555 rupees, and provided an accurate map of every village in the whole tract of more than 70,000 square miles. It was the foundation

tion of a complete system of registration of the rights in land. The maintenance of that registration requires constant reference to the survey maps, and an acquaintance with both the English and native modes of survey. *T.L. Peacock*, Esq. 11 July 1853.

8090. Will you prepare a statement to show to what extent the same system which you have now stated to be in existence in the North-western Provinces has been carried in other parts of India?—I will. I now come to the head of "Superintendence." In all the proceedings relating to public works the deficiency of engineer officers is prominently brought forward. The Company's engineer officers are perhaps as efficient a body of men as any in the world, and their number has been increased, but the demand for their services has outstripped the increase of their numbers. The Roorkee College in the North-western Provinces was instituted for the training of civil engineers, and promises very satisfactory results, but is still in its infancy; Mr. Thomason says, "The Government has not the same superintendence at command that it had; officers are procured with the greatest possible difficulty from the army. Roorkee College will, I trust, materially aid in developing engineering talent in the army, and in fostering it out of the army; but Roorkee College is only just commencing its operations, and some time must elapse before it can come into full operation. The Roorkee workshops are well calculated to improve our local resources." He then gives some description of Roorkee College.

8091. Sir *T. H. Maddock*.] Can you inform the Committee whether any similar institutions have been founded in any other part of the British dominions in India?—Not exactly like that; one is in contemplation in Bombay, and some progress has been made towards it.

8092. Is it attached to the Elphinstone College?—I think so; I am not quite certain. A professor of civil engineering went out to that college to lecture and to teach engineering practically to the young men; I think there is still a class of that kind, but the students could not get employment after they were educated; the Government could not guarantee them employment; and therefore it was discouraged, and it is not now in a flourishing state.

8093. Is there no institution of this kind either in Bengal or Madras?—I know it has been talked of in all the Presidencies, but it has not been properly carried out. I can lay before the Committee a memorandum showing how far institutions similar to Roorkee College have been proposed. Mr. Thomason says, "At Roorkee now every nerve is strained to complete the Ganges Canal and bring it into operation, so as on the earliest opportunity to obtain some return for the heavy outlay which has been incurred. To this primary object all others must give way, and I even begrudge the diversion occasioned by the simultaneous erection of the college buildings; some time, therefore, must elapse before we can fully devote our attention to the highly important object of developing the resources of the country otherwise than is indispensable for the progress of our own works." I think I have now given an outline of the main public works in India.

8094. Mr. *Hume*.] Will you prepare a statement showing what progress has been made in works of irrigation and roads in Kutch, Scinde, and the newly acquired districts?—Yes.

8095. Mr. *Elliot*.] The cost of certain works of embankment is charged to the zemindars in Bengal, is not it?—Embankments of certain kinds; some are maintained by the Government, and looked after by the Government officers. The charge of some was included as a portion of the permanent settlement; the zemindars bound themselves to maintain certain embankments.

8096. There are a considerable number beyond those which they are bound to maintain?—Yes; there are a considerable number in charge of the Government.

8097. Has any estimate ever been given of that description of work?—We can give an account of the expenditure of the Government, not of the expenditure of the zemindars. Upon that subject to which the Honourable Member has alluded I have here a memorandum. The embankments of the great rivers of Bengal had the effect which is universal in such cases, and of which the Po is so striking an example, of silting up the bed of the river, and the land within the embankments, and leaving the protected land beyond them at its ancient level. A breach in the embankment caused therefore a more destructive inundation than would have been experienced if they had never existed, for the silting up under every inundation would have been equal over the whole of the

J. L. Peacock, Esq.

11 July 1853.

flooded space, and rather deepest in the most remote and stillest portions of the expanded water. A committee of inquiry, reporting on the question, 15th September 1846, "proposed a return to that state of nature which, in their opinion, ought never to have been departed from. The proposal," they added, "simply amounts to a system of drainage for one of embankments, or in other words, reversing the present system, and instead of raising embankments to clear out old channels, and thus to allow free ingress and egress of those high and destructive inundations, called 'burka bauns,' to and from the interior of the country, that after spreading uniformly the waters be allowed a ready return into the rivers on their subsidence."

8098. Sir *T. H. Maddock.*] Are you aware whether the Government have taken any measures in consequence of the suggestions of that Committee?—I do not think they have.

8099. *Chairman.*] Have you anything further to state to the Committee?—I have already alluded to a letter just received, dated 6 May 1853, respecting some additional canals, which will be seen at once by reference to the plan. The following is the letter: "We beg to lay before your Honourable Court copies of the papers noted in the margin, relative to a plan submitted by the Government of Bengal for the improvement of the navigation of the two canals connecting the river at Calcutta with the Soonderbuns. The cost of the work is roughly estimated at 3,50,000 rupees, but considering that the canals are quite inadequate to the large and increasing amount of traffic constantly passing through them, and that Government has already derived considerable profit from them, we have sanctioned the carrying out of the proposed scheme, subject to the confirmation of your Honourable Court." I have a paper here which I should like to put in; it is a minute by Sir Charles Metcalfe, in 1829, in which he says that he does not agree with persons who think that the roads in existence in the central part of India are not good enough for all the purposes for which they were required. The same opinion has been expressed in Madras, and there was a similar opinion in Bombay; so that it is only of late years that the great necessity for roads, and for great exertion to make them good, has been apparent to the authorities in India. (*The same was put in.*) A good deal has been said about the roads in Broach, which is one of the principal cotton districts. I have some papers here which show the great difficulty of making roads there. This is a report to the superintending engineer, from Mr. Davies, the collector, dated October 1850: "Intersected in all directions as the Broach district is with rough though practicable roads, there nevertheless occur formidable obstacles to intercourse and traffic, where the highway is found, through lapse of time, to have sunk so low between high banks as to leave no room for carts to pass each other at the bottom; these sunken roads are usually found where creeks or nullas interrupt the line of communication, and in seeking the lower level to cross these no care has been taken to preserve a sufficient width of way, and unless the drivers of carts are sufficiently vigilant (which is not always the case) to ascertain that the lane is open to them throughout before entering it, they are compelled to unyoke their cattle, turn their carts round on a pivot, as they best can manage, and find their way back again. Not unfrequently the encounters that take place in these narrow lanes lead to hours of useless altercation before either party gives way; and where strings of many heavily-laden vehicles approach from opposite directions, the evil is, as may be easily imagined, greatly aggravated. It is most desirable that a remedy should be early applied to so great a nuisance. I am now engaged in widening all the public approaches to the town of Broach, cutting down banks, filling in ruts, and opening the roads to an average width of about 16 feet. These are, in fact, the only measures of improvement the Broach roads are susceptible of receiving."

Vide Appendix.

8100. Has the work which is there pointed out as being necessary been continued up to the present time?—I believe so. A return has been ordered of all public works since 1834. Before the formation of the Military Board there was not a sufficient record kept of the public works to enable a return to be made. The Government of India in 1840 collected all the information they could upon the principal matters for an antecedent period; but it is only an imperfect statement. I have it here, if the Committee wish to see it. I may say that some works have been carried out in the Marine department; for instance,

T. L. Peacock, Esq.

11 July 1853.

instance, a dockyard and a factory at Bombay. As it has been stated that the Court of Directors is indifferent to works of public improvement, I wish to point out what they did in respect to steam navigation a few years ago, when the public attention was directed to that point. The first great movement in the way of public improvement at all was made by Lord William Bentinck; he was very anxious to carry out good roads, canals, and works of irrigation; to establish steam navigation between India and England, and upon the Ganges, and the great Indian rivers. Those were all things he had at heart, and he did a great deal in respect to them all. In the year 1829 he sent home Captain Johnson on a deputation to get steam vessels made for the Ganges. Captain Johnson studied the matter very attentively, and was of opinion that nothing would be of sufficiently shallow draught except iron boats. His proposals were adopted by the Court, and the first iron steam-boat which turned wheels on the Thames was a vessel called "The Lord William Bentinck." Four of those boats were sent out to India, with four accommodation boats. The East India Company took the lead in making iron boats, which were considered a novelty then. The next thing was the establishment of steam communication between England and India. "The Enterprise" had made the voyage out partly under steam and partly under sail, the voyage being a very long one. It was considered very doubtful whether it would be possible to make a complete steam voyage to India, in consequence of the great distance that there must be between some of the stations. The East India Company however tried that experiment, and sent out the "Atalanta," and the "Berenice," having established coal depôts at different points, some of which were 2,400 miles apart. No steam voyage of that length had ever been accomplished in one run; the "Atalanta" and the "Berenice" made their runs from station to station without a single failure of fuel; and the length of time they took in steaming the distance was about 63 or 64 days. The result showed that a steam voyage could be made to Calcutta, by changing the vessels at the stations, in about 60 days. It is very probable that the Cape of Good Hope line would have been adopted to Calcutta, had it not been that the transactions in the West of India gave so much greater importance to Bombay, as the point of immediate communication. The next step was in the year 1837, when it was determined to establish steam communication by way of Bombay. There were not vessels enough for the purpose to do it in the way proposed; the East India Company bought the most powerful vessel then afloat, of 300-horse power, and 750 tons burthen; those engines were then considered very stupendous; nothing like them was in existence at the moment. They took an opportunity of trying the experiment of making a straight line against the south-east trade wind; they sent coals to St. Helena, and other stations, having changed the name of the vessel to "Semiramis," and directed Captain Brucks, of the Indian navy, who had the command of her, to try his utmost to draw a straight line on the chart from St. Helena to the Cape: he said he would do it or go to the bottom of the sea: he did it. That line was never drawn before, and I believe it has not been since. That vessel accomplished her steaming from station to station without any deficiency of fuel: so that there are three completely successful experiments in which the East India Company took the lead. Afterwards they placed many steam vessels on the Indus; they placed the first that was ever there, and a great many others. At the time of the China war there were four vessels constructed, which were sent to China, which were of an entirely new character, the "Nemesis," the "Phlegethon," the "Proserpine," and the "Pluto;" they were constructed as perfectly safe sea boats, to go round the Cape of Good Hope, and also of such a draught of water as to go up the Indian rivers; they would go round the Cape of Good Hope, drawing about four feet nine, and they could reduce that draught to three feet six, to go up any river that would bear a vessel of that draught; the consequence of which was, that when the "Nemesis" got to China, where there had been no possibility of getting up the back water to Canton, the "Nemesis" went up like a boat; when the fleet got into deep water at Nankin, the "Nemesis" landed the troops like a boat; she took 1,000 men on her own deck, and she took about 1,500 more in tow in small boats; she landed the men over her own bow upon the beach by a gangway, and succeeded in landing between 2,000 and 3,000 men in a manner in which it never could have been done by a vessel not of that description. The "Proserpine" previously

T. L. Peacock, Esq.

11 July 1853.

viously and subsequently went to Ava, where the whole of the four vessels are at present employed. After the close of the China war, when there was a great deal of piracy in the Indian Archipelago, those vessels were all employed to put it down, and they have been employed in that or similar services ever since their first construction to the present time, more than 12 years, and they are still perfectly efficient; they have been placed in positions of extreme peril, in which any other vessel in the world would have been lost; they were divided into 10, or 11, or 12 water-tight compartments; they have struck upon rocks and knocked great holes in their bottoms, and let the water sometimes into one, sometimes into two compartments at a time, but they have been floated off by means of their own floating power from the bulkheads that remained; there are no other vessels like them in the world. This was another great experiment tried by the East India Company, and most successfully executed. I mention this to show that a body which has done thus cannot be considered as indifferent to works of public improvement or works of public enterprise. I wish also to refer to the marine surveys of the Red Sea, the Persian Gulf, and the coast, which have been undertaken by officers of the Indian navy; and also I have here some beautiful surveys of Nineveh and Nimrod, which have been made and brought home by Captain Jones, which I produce, as showing the kind of work which has been done by the Company's officers. For the same purpose, I wish to lay on the table of the Committee the work of Captain Baird Smith, on the Irrigation of Northern Italy, which he was deputed to investigate and report on by the Court of Directors.

8101. Have you any report to produce of the marine works which have been executed at Bombay?—Yes; I will put in a paper with respect to them.

(*The same was put in, and is as follows:*)

PUBLIC WORKS in the Marine Department in *India* sanctioned by the Court of Directors, and completed by the Indian Government.

AT MADRAS.

Survey of the Gulf of Manaar and Coast of Ceylon.—This important work has been completed, though but lately, having been commenced many years since. The sum expended has been 2,46,255 rupees (24,600 *l.*), of which 53,174 rupees (5,000 *l.*) will be a charge upon Her Majesty's Government in respect of that portion of the work applicable to Ceylon.

Paumbaun Passage.—Widening and deepening the channel so as to admit vessels of larger tonnage (about 150 tons), drawing about 10 feet water, to pass through. The work was begun about 1840, and has been lately completed. Independent of the cost of providing a steam-engine and machinery as a dredge to be fitted to a vessel at Madras, the Government have expended at least the sum of 1,13,000 rupees (11,300 *l.*)

AT BOMBAY.

In 1839 a steam factory and foundry was established for the manufacture and repair of steam-engines and machinery.

	£.
Cost of Machinery - - - - - - -	13,878
Buildings - - - - - - -	24,000
TOTAL - - - £.	37,878

In 1839-40, to meet the increased demands of the service, the Bombay Docks were altered and widened, the dockyard premises were enlarged, and sanction was given to the construction of three slips for building ships of the first class for the Company's service, and also for the Royal Navy; the cost of these works may be taken at 3,10,120 rupees (31,000 *l.*)

It has been proposed to construct a wet dock or basin, with coffer-dam, &c., preparations for which have already been made at considerable cost; the whole expense will probably amount to 1,30,000 rupees (13,000 *l.*)

8102. *Chairman.*] Is there any further remark which you wish to make?—With respect to the land revenue system of the North-western Provinces, the village system, which is now generally considered, I believe, the best system of revenue

revenue administration, is well described in a very excellent minute of the Lieutenant-governor, on joint and separate responsibility in co-parcenery mehlas, which I beg to put in.—(*The same was delivered in.*) *T. L. Peacock*, Esq.

11 July 1853.

8103. Sir *T. H. Maddock.*] Are there any other works, such as railways, upon which you have any observations to offer to the Committee?—There is a letter and minute from the Governor-General, which has been just received, in which he proposes to make a line of railway to Peshawur, and to make a great triangular system of railway to connect the Presidencies of Madras and Bombay with Calcutta. He proposes to do this by a single line in the first instance, but to secure a foundation for a double one. One point I wish to speak on is this. He seems to have exceeding difficulty in finding his way up to the table land above the Ghauts. He discusses all the proposed modes by the Ghauts, and he rejects them all. He seems to think it practicable to find the way round by Baroda and Neemuch to get to the table land; he does not point out the line he proposes to make, but leaves that for consideration. There are a good many projects for carrying roads from Bombay up the Ghauts, but if a railway can find its way to the table land, it will be very desirable that district roads should be made to bear upon it, instead of having a great many minor roads constructed at great expense up the Ghauts, which will be of no use after the railway is made. *Vide* Appendix.

8104. Have you any other observations to make upon that subject?—I have not.

8105. Does the Governor-General propose to begin that work immediately?—Yes.

8106. Does he give an estimate of what the amount will be?—Yes; which I think is very low. I am inclined to think that the ultimate cost of railways has been under-estimated. There is not only their first construction, but there will be a great deal to be re-made.

8107. *Chairman.*] A previous witness has said that in the present state of India, the construction of tramways would be preferable to the construction of railways worked by locomotive engines; and that they would answer all the purposes of the transport of merchandise. Have you any opinion which you would like to express upon that subject?—I should be very much inclined to agree with that witness. The great trunk road might be made very available for a tramway. There would be less rapidity, but I think quite equal efficiency, and much less cost. I should be very favourable indeed to the construction of tramways.

8108. Mr. *Hume.*] Do you contemplate their being of iron?—They can be made of any strong materials; the Romans made a great many tramroads, and they made them of stone.

8109. *Chairman.*] Will you explain to the Committee, when a public work has been sanctioned by the Government at home and in India, what steps are taken to carry it into effect?—It is given to the officers of the department to which the work belongs, to be carried out. When a work is sanctioned, the Military Board would be one of the instruments of sending it on. The mole and road at Kurrachee was referred for the Court's sanction, and the sanction was given. In the first instance some questions were asked. There were some doubts upon points which the Court wished solved. Those questions were answered very satisfactorily, and then they sent out the sanction, and the sanction was immediately sent by the Government, through the Military Board, to the officers on the spot to carry out the work. That is what is always done; when a work is referred for sanction and the sanction is given, it is sent on without any further delay, unless the Government have some new light on the matter.

8110. You have stated that some works have been suspended or postponed, on account of doubts as to their eligibility. Have there been any works postponed on account of the want of money?—Some have been postponed on account of doubts as to their practicability or eligibility, and they have been reserved for further consideration. I do not think any have been postponed for want of money, except the bridges on the Soane and the Jumna; those bridges have been suspended partly from the want of money.

8111. You stated that there was some difficulty felt in obtaining the service of engineer officers?—Yes; a great many engineer officers have been taken off by the war.

T. L. Peacock, Esq.

11 July 1853.

8112. Has that been from the want of a sufficient number, or was it on account of the inefficiency of the engineer officers?—The want of a sufficient number. The Company's engineer officers are very efficient. Mr. Thomason's letter, dated 5 March 1853, from which I have read an extract, will show how that matter stands. In a subsequent part he says, "Government has its hands full with projects now in course of execution, and there are hundreds of others in embryo. If we can throw off on others part of the burthen, we will not work the less hard, but we will so dispose our means as to effect much more. For myself, I am always ready to do my utmost, as the Government may require, but I feel that I am drawing towards the close of my course, and I should not enter on a new undertaking with the spirit I once had, nor with the same hope of seeing the work to a successful termination. The progress of improvement in our old territories is greatly impeded by the constant acquisition of new countries. During the last 10 years we have had to put forth all our strength to meet new emergencies in Scinde, in the Punjaub, and now in Pegu. This, of course, cripples our means of improvement in our old provinces. Generally speaking, the best men must go to the front. I am only astonished that we have been able to go on so well as has been the case."

8113. Have you any statement with regard to works which have been undertaken for the improvement and building of barracks, and if so, will you hand it in?—I will hand it in.—(*The same was put in.*)

Vide Appendix.

8114. Sir *T. H. Maddock*.] Have any public buildings of a useful nature, for the purposes of education, or otherwise, been constructed at the Presidency towns of late years?—Yes, at all of them I think; I will prepare and give in a statement of them.

8115. Mr. *Hume*.] It has been stated to the Committee, by a previous witness, that the boats which were employed by the Company on the Ganges for commercial communications have been taken away, and that great inconvenience has been suffered by the merchants in consequence; are you aware whether that has happened?—I am aware that some of them have been taken away for service in Ava.

8116. Does the Company continue the means of conveying goods to Allahabad?—To a certain extent; they have only removed some of the boats: they have not removed them all.

8117. You do not know to what extent the inconvenience has arisen?—I do not. There were some private companies formed for the commercial navigation of the Ganges, and also for employing tug-boats on the Hooghley, but they do not seem to have prospered. They seemed to think that the Company was deriving a great degree of profit from its boats; and therefore private companies were formed to compete with them. An order was given to the Government never to undersell the private companies; nevertheless, I believe they have not prospered.

8118. Then it is not a fact that the Government have undertraded in that respect?—I believe it is not at all the fact.

8119. Sir *T. H. Maddock*.] Under the head of public buildings, in the Presidency towns, have you any information to give to the Committee respecting the mint at Calcutta?—The mint at Calcutta was not in my department. Some information respecting it will be found in the minute of Sir Charles Metcalfe, in which he speaks of it as an enormous expense, which ought never to have been incurred. He was not a great advocate for extensive expenditure on public works. I know that Colonel Forbes, then Captain Forbes, came home a good many years ago to obtain machinery for the mint, and to study the means of using it at the Royal Mint here. The machinery was prepared, and Colonel Forbes went out taking with him the means of setting it up and working it. It has been worked very successfully and efficiently; and not long ago Colonel Forbes was sent for from India to be a member of a committee of inquiry here on the subject.

8120. Among the public works which you have stated, I did not observe that you have mentioned any in the newly acquired Eastern territory?—I have not much information on that subject at the present moment; my object, in the evidence I have given, has been to point out some of the principal works, and to show the spirit with which they have been carried out.

8121. Mr. *Hardinge*.] Do you know whether round the new barracks which have been built the Government has constructed outer verandahs?—I think they

they have; on that subject I may state, that in addition to the new barracks there has been a continued and very large expenditure in adding to the barracks at old stations, to provide for increased strength of regiments, in improving barracks by adding to their ventilation; by increasing the accommodation for married men; by adding punkahs, plunging-baths, and washing-houses, and by enlargements and improvements in hospitals. *T. L. Peacock, Esq.* 11 July 1853

8122. *Chairman.*] Have you any observation to make on any other subject connected with public works?—No. I wish, however, to make an observation upon what I heard said the other day about the circumstance of the ryots not being allowed the benefit of their own improvements being a great blot upon the revenue system of Madras. I wish to say that the ryots are allowed the benefit of their own improvements: very peremptory orders to that effect were given long ago, which were reiterated in the year 1852; they are to have the full benefit of their improvements, and are not to be charged for them in any way; this was not done for the first time in 1852; the order then was only explanatory of what had been done many years before. With respect to the salt monopoly, I wish to say a single word; what is called the salt monopoly proper, is that which belongs to the salt agency system of Bengal; the limits within which that monopoly acts are as nearly as possible the limits of the permanent settlement, where it is not possible to impose any new tax; therefore there is a peculiar justification for the salt monopoly tax of Bengal Proper, as distinguished from the salt-tax anywhere else. In other territories where we can increase the land revenue when we make new settlements, or where we can impose new taxes bearing upon agricultural produce, there may be a question about the policy of keeping the tax at its present amount, or retaining it at all; but within the limits of the permanent settlement nothing can be substituted for the salt-tax; and as the zemindars, to whom all the rights of the ryots have passed away *sub silentio*, get all they can out of their ryots, the remission of the salt-tax would be a benefit to the zemindar and not to the ryot.

8123. Mr. *Hume.*] Do you mean that the zemindars would exact more from the ryots in consequence of the removal of the salt-tax?—Yes. I wish to add that it was shown before the Committee of 1836 that the salt-tax and the land-tax of Bengal put together are less than the land-tax alone anywhere else. There is another point on this subject which has been mentioned, namely, the giving up the salt agency system, the manufacture of salt on account of the Government, and having a free manufacture subject to an excise. There are some objections to that. The Government salt agency system is its own excise, as it were. It prevents the illicit manufacture of salt by the very same agency which looks after the manufacture. The Government advances money to the molunghees who make the salt, charging them no interest upon those advances, but receiving back a certain quantity of salt for the money they advance. The Government duty of 2½ rupees per maund is all the profit which the Government derive; they derive no commercial benefit. If there were a free manufacture there must be a profit to the employers of the molunghees; the molunghees would not get the same advantage of advances without interest which they now do from the Government. It would be absolutely necessary to fix upon certain points at which alone the manufacture should be carried on; therefore there would be an additional expense to the Government in carrying on the excise system, without any corresponding benefit, or without any benefit at all, to the manufacturers of salt, but rather a detriment to them.

8124. Do you know how the excise on salt is carried on at Bombay?—I do not know exactly how they manage it at Bombay; but they are there in very different circumstances. They have not that vast extent of territory for making salt which there is in Bengal.

8125. Are you able to state what the effect would be if the manufacture were put an end to altogether, and the whole supply of India depended upon importation?—The effect would be, that as long as freights were exceedingly low, it is very probable that there would be an abundant supply, but a very small rise of freight would leave India without any salt at all.

8126. In such a case, would not there be likely to be a great deal of smuggling?—No doubt there would; there must be a great establishment kept up to prevent smuggling and to prevent manufacturing.

8127. Whatever change takes place in the admission of salt, the excise must be kept up, to prevent smuggling and manufacturing?—Yes.

John Chapman, Esq., called in; and Examined.

J. Chapman, Esq.

11 July 1853.

8128. *Chairman.*] YOU have been occupied with public works in India, have you not?—Yes.

8129. When were you so occupied?—I began in 1842, and in 1844 I had so far advanced the investigations, by my private efforts, that the company, which afterwards took the name of the Great India Peninsular Railway Company, or at least the provisional committee was then formed. In that year, previously to the formation of the company, I obtained access to the records of the East India Company, and spent a considerable time in examining them, with a view to the formation of my plans. In the latter end of 1845 I was sent to Bombay to complete the investigations there; I spent some months in the interior, and I then came back to Bombay and spent there the rest of the 12 months that I was out; I returned to England in November 1846. My reports were republished in England, having been previously published in Bombay and transmitted to the Government there. Negotiations were resumed with the East India Company, but nothing was done till late in 1849, when the arrangements were made, and from that time I have had nothing to do with the company but to obtain my own settlement with them.

8130. Will you state to the Committee your opinion as to the extent to which public works have been carried in India compared with the wants of the community?—I should apprehend, from all I saw and all I can learn, that the public works of India are very small indeed in proportion to the wants of the community.

8131. What course would you recommend to be taken to meet that deficiency?—That the freest course should be given to private enterprise, and that private capital should be suffered to find its own way.

8132. Would you recommend that the Government should not undertake public works?—I do not say that under no circumstances should the Government undertake public works; but the principle of Government interference I do not think a sound one, nor one to be relied on.

8133. Will you state what course you think ought to be pursued?—The way in which I would put it is this: there are two classes of public works, works of of transit and works of production; I think the works of transit should be made first, generally speaking, and that considerable mistakes are often made with respect to the importance of works of production: for example, irrigation. If works of irrigation are made before there are works of transit to carry away the produce, I conceive you do nothing but accumulate the produce upon a spot where it is not wanted; and some very remarkable instances of that kind have taken place. I think works of transit are those which are first wanted, and those, I think, should be made by private companies, and not by the Government.

8134. Without any assistance from the Government?—I think, generally speaking, the assistance of the Government has been accompanied, and, I fear, must be accompanied, with conditions which hinder the great extension of public works much more than they can advance it; that was my own impression from the beginning, and I think events have shown that I was right.

8135. Are there sufficient means in India to carry the public works which are most necessary into effect, without any assistance or guarantee on the part of the Government?—There are not means in India. I take India to be a very poor country, and as not having anything like sufficient means to carry out its own public works.

8136. To what resources would you have recourse?—I believe you must come to England for capital, as a great part of the world does.

8137. Has not it been shown that English capitalists will not embark in those works without the guarantee of the Government?—I believe it was said so; and it was said so so frequently and so strongly as to produce that impression, but I do not believe that there was any reason for it. As I was very much concerned in these affairs at the time, perhaps the Committee will allow me to state that in 1844 and 1845 the Bombay Company was considerably ahead of the Bengal Company. The letter which commenced the proceedings with the Court in respect of the works in Bombay was a month earlier than the address by the parties who were concerned in the Bengal works. At that time my own conviction was, and I believe the circumstances fully warranted it, that if we had

J. Chapman, Esq.

11 July 1853.

had gone to the public upon the merits of our own design, and under the circumstances of that time, we should have had no want of capital. But the parties concerned in the Bengal designs went upon a very different footing; they assumed at once that it would be better to get the Government guarantee, and they said strongly, everywhere, it was impossible to obtain capital without it. The fact of their having any plans of their own they said very little about; and the consequence was, that the impression was made upon the public mind that it would be utterly unsafe to go into Indian works without a Government guarantee. I believe it was entirely from that circumstance that we failed at that time in getting the necessary capital. The plan which I proposed, and which for a time was acted on, though it was afterwards abandoned, was to carry on our affairs ourselves, make our investigations, deduce our conclusions, provide our own evidence, and go to work upon the strength of our own merits. But the other company, which was by far the strongest company in the city, took the other plan, and public opinion went along with them, for they had the means of influencing it. At that time, and ever since, I have seen English capital going in large masses to other countries, where I am sure there is no better prospect of profit, where I do not believe there is any greater security, and where I feel satisfied the public objects to be accomplished, either with respect to English or Indian interests, are not to be compared with those which these designs would accomplish; and yet we are told that English capital will not go to India without a Government guarantee; I attribute that entirely to the mistake which I have alluded to, which was made at the beginning of our enterprise.

8138. Under existing circumstances, would you recommend that the Government of India should not advance any money for public works, nor give any guarantee to public works undertaken by private enterprise?—I do not mean to say that, situated as the whole country is, that should never be done. I have pointed out what I think would be the sound principle to be worked towards, if I may say so. I apprehend that it would be possible to make arrangements which should offer less difficulty, and produce less obstruction than exists at present to the extension of public works, if they should be, in some sense, associated with the Government. Supposing, for instance, a company were to make a certain length of railroad, as part of their general design, and then the Government were to consent to guarantee a certain sum for the execution of the next works, that is, a sum which they themselves may judge to be proportionate to the amount which has been properly expended upon the line already made, leaving the detail much more freely to the execution of the private company themselves than is now the case. At present there is a 5 per cent. guarantee given to the shareholders, which acts as an effectual quietus to them; they care nothing at all about how fast or how slowly the works go on; they have their 5 per cent. without any difficulty; there is no inducement to any party to extend such works beyond what may arise from a general wish to see them extended.

8139. Evidence has been given to the Committee that it would be more desirable to carry into effect the extension of tramroads worked without locomotive engines, than railroads with locomotive engines; what is your opinion upon that subject?—I do not think there is a universal road, any more than there is a universal ship, or a universal engine of any sort. Where the traffic is large, and the earth-works must necessarily be great in order to obtain any good levels, you had better go to a little more expense and make it a railroad; where the country is level, and the traffic approaches to, but is not above a certain amount, you may then find it advantageous to construct a tramway; but, generally speaking, I apprehend those last mentioned cases are very few, and nothing between a railway and a common road is in most cases eligible. I do not mean to say that no case can be found in which a tramway would be advantageous; but a general system of tramways, I apprehend, is not to be depended on. If the traffic is large, the cost of the earth-works necessary to bring down the roads to a level, which would make a tramroad of any value, would be so large in proportion to the whole cost of the railway, that you had better go on and lay down rails for locomotive engines also; but in other cases the figures might not so turn out. It is entirely a question between the amount to be annually realized for carriage, and the capital to be laid out upon the works: in one case it may turn out in one way, and in another case in another way.

J. Chapman, Esq.

11 July 1853.

8140. You stated that you thought the first and most important object was to carry out works of transit?—I think so.

8141. With regard to works to improve and increase the production of the country, is it your opinion that those should also be carried into effect by private enterprise?—Yes; I think so. I think it is impossible for the Government to pay anything like the necessary amount of attention to them, and it is also impossible for the Government to see where they will pay, and where they will not. If such works are to wait till so clear a case can be made out in every instance as that it shall force itself upon the attention of the Government, notwithstanding everything else they have to do, I apprehend you may wait very long before you will have anything like a sufficiently extensive system of works of production executed: but if you devise terms by which people can be induced to lay out their private capital in the promotion of those works, you will find them springing up all over the country. But, as I said before, there must be works of transit first to carry off the produce.

8142. Will you explain to the Committee what you mean by devising terms? —Irrigated lands, as far as I have been able to observe, yield about three times the tax, employ about twice the labour, and produce several times the profit of an equal area of dry land. Out of three times the tax, and several times the profit, it is quite clear there are funds to pay, generally speaking, for the construction of the works necessary to produce the irrigation. I apprehend that if the Government, on the one hand, has a claim to a larger tax, and the owner, on the other, has an opportunity of obtaining a larger profit, it would be possible to make arrangements by which the rights to the increased tax, and the rights to the increased profit should be so leased out to those who would find the capital and labour necessary for the construction of the work as to induce parties to go into it. Supposing, instead of irrigating land it were a proposal for supplying water to a town, there would be no difficulty then in assigning the terms of a water rate; nor do I apprehend there would be any great difficulty in assigning the terms of an irrigation rate; only there would be this difference, that it would be a matter of option with the parties whether they took the water or not, upon the terms assigned.

8143. You mean that for any improvement an additional sum, in the form of a rate or a tax, might be levied?—Yes; a rate or tax, or an agreed price. There are funds to be created as the effect of the work, and therefore there must be, in some way or other, the means of bringing the various interests together.

8144. Therefore you think the permanent settlement would not interfere with such a mode of raising the revenue?—If the permanent settlement did interfere with such a mode of raising the revenue, I should say it was a proof of an error in the principle of the settlement, and such an error as should be set right, for other reasons than that.

8145. With such inducements, as you say exist, to expend capital in carrying out works of public improvement in India, what are the obstacles which have hitherto prevented capital being so applied?—There have been obstacles in England and some in India: I will mention those which I myself have met with. The first difficulty which arose in the prosecution of the design of the Great India Peninsular Railway was one arising from the change in the English law, which I dare say was not intended to produce any such effect. While preliminary arrangements were being made here, the Joint Stock Companies Registration Act was passed in England, which reduced the deposits which might lawfully be taken to five per cent.: previous to that time it was proposed to take 50*s.* deposit on each share. If that had been taken, there would have been funds enough in hand to carry the railway as far as it is at present carried; the works would have been as forward in 1848 or 1849 as they are now; but that law was passed which made it impossible to take more than 5 *s.* instead of 50 *s.*, and those funds were barely sufficient to pay for the surveys in India, and keep the company alive till 1849, when the terms were made. That was one difficulty arising out of the state of the English law.

8146. Sir *C. Wood.*] That applied to all railways, did not it?—The law applies to this country, and I believe was never intended to apply to Indian railways. At first there was a doubt whether the law did apply to them or not, but it was decided eventually that it did, and it very much crippled our operations; if it had been otherwise, I believe the Bombay Railway would

J. Chapman, Esq.

11 July 1853.

would have been four years more forward than it is. I mention that as showing that incidentally, without any design, changes in the law in England may interfere with works in India. The next difficulty was this: So long as it was a matter which required only information and general concurrence, every facility was given by the Indian authorities; but the moment it came to action it appeared that there were differences of opinion among the Indian authorities, and it took a very long time to get rid of those differences. I apprehend that all the time, from the beginning of 1847 when I returned, to 1849, was lost by that circumstance chiefly; by references to Calcutta, and differences of opinion whether there should be railways in all the Presidencies, or only in one; whether there should be experimental lines, and so on. The frequent references to Calcutta much discourages Indian enterprise in England; people who can find plenty besides to employ themselves upon will not wait the result. So also the tendency to centralisation at Calcutta, in India leads to the same discouragement: besides that, serious errors may easily be committed at Calcutta in industrial questions, for want of local knowledge. There is another difficulty which I found a very considerable one. I do not wish here to complain of it, but I only mention it as a fact coming within my own knowledge, since these matters rested very much with myself during the very discouraging times from the panic in 1847, during 1848, and a great part of 1849. The practice at the India House and the Board of Control is such, that I found it impossible to get any subject discussed, or at least to get it completely and sufficiently discussed. I found a great deal of personal courtesy and individual assistance. There was not an officer at home whom I applied to, nor an officer in India, from the Governor down to the lowest of all, who did not give me every possible assistance; but when it came to a matter of decision as to what should be actually done, I could not find any existing arrangement which gave me the opportunity of laying the subject before the gentlemen, whoever they were to be, who would have to decide the question, in such a manner and with such facilities as would lead to any decision, or at any rate to any satisfactory decision. I saw first one, and then another, but I never could make out what the obstacles were which obstructed us, nor where I could make my representations in such a way as to meet the difficulties which appeared to exist. Another difficulty was this: these works required not only the concurrence of the authorities, but that also of other parties, particularly capitalists in the manufacturing districts; but such I found to be the general want of knowledge of Indian affairs here, on the part of capitalists and manufacturers, and members of the press, that there was no moving any one; in fact, so long as there was anything else to be attended to, it was almost impossible to get Indian affairs listened to at all, let them be as important as they might; and I believe they are more important to English interests than is generally believed; it was impossible to get anybody to take the interest in them which was necessary, in order to carry out considerable public works. Things have mended considerably since then; but I think the degree of attention given to the industrial progress of India is not yet what it ought to be. Great attention is now bestowed on the political aspects of Indian affairs, but I do not think that that is the chief way to elevate India. Since there was this want of interest in Indian affairs in England, it seemed that that difficulty was most likely to be got over by drawing the attention of parties in the manufacturing districts to the subject, theirs being the interests which were more particularly to be benefited; for example, the cotton manufacturers. It did appear at one time that if they could have been induced to take a strong pecuniary interest in Indian public works, they would not only have benefited themselves very much, but have promoted important public objects also. The failure of the American cotton crop in 1846 cost Lancashire 4,000,000 *l.* sterling more than they would otherwise have paid for the cotton itself; and I was told that it cost 4,000,000 *l.* more besides that, in the loss of employment and poor-rates: so that the failure of a single crop cost Lancashire 8,000,000 of money. Now, as it could be pretty clearly proved that the execution of certain works in India would effectually secure them against the recurrence of such a disaster as that, we might have supposed that they would have gone into them with earnestness. Instead of that, I found that there was no such thing as inducing them to go into Indian public works; and the difficulty, I conceive, arises from this: instead of taking that view which, to me, appears to be the

J. Chapman, Esq.

11 July 1853.

true one, that the political elevation of India is to be effected by means of its industrial and social elevation, they inverted that course, and supposed that political faults of our own Government were the cause of the social and industrial debasement of India. The natural consequence of that being their view was, that they said, "No; till these political matters are set to rights, we will have nothing to do with carrying out works in India." I think that was an entire error, and I mention it as a difficulty arising from the want of information on Indian subjects in England.

8147. *Chairman.*] Is there any statement which you wish to make to the Committee as to the means of correcting that state of things?—In what I am saying I am not speaking of the works which peculiarly belong to the Government, such as barracks or Government buildings; I conceive if public works generally are to be extended with any effect, and the Government is to have anything to do with them beyond affording them its protection, investigating carefully all the rights which arise out of such enterprizes, and protecting each, and being a fair and unprejudiced arbitrator among all rights: if the Government is to go beyond that, which I think to be its proper province, the arrangements should be such as to leave much more of responsibility and much more freedom as to detail in the hands of the companies than is left at present: but if it were practicable in any way to call into existence or to suffer to come into existence private companies, with which the Government should have nothing to do, except as they would have to do with all other persons, whether they built a ship or a house, or anything else, you would have 10 or even 100 times as much done in the way of carrying out important works in India as you have now that the Government has almost everything to do with them: supposing that principle for a moment be admitted, I think it would require that the joint-stock companies for the purpose should be of a somewhat improved constitution. And here I think is one of the difficulties which the English law has put in the way of Indian public works; the English law, I believe, does not permit, or at all events does not encourage, the constitution of joint-stock companies upon anything like the principle of French partnership *en commandite*. I think we have stumbled by accident on something like the best form of company for the purpose in the Peninsular and Oriental Steam Navigation Company, in which there is a sort of inner proprietary much more deeply interested than the outer and more general proprietary, and I conceive a joint stock company with a constitution of some such kind would carry Indian works into effect much better than one in which all the proprietors stand upon a level, and choose directors in the ordinary way; I do not trouble the Committee with the details of any such plan as that; I only throw out the suggestion, and I think it is one which is necessary to be considered in promoting Indian public works.

8148. What do you mean by an inner and an outer proprietary?—That there should be a body of shareholders having no right to interfere so long as they receive a certain dividend, and have proof that the capital is not diminished, and that, at the same time, there should be an inner proprietary, much smaller in number, who should be much more deeply involved in the matter, and should be responsible to the Government, to the public, and to the other shareholders, but who should be at liberty to make all the profit they could beyond that. My reason for saying that that, which would be an improved constitution of a joint stock company, for many purposes, would be particularly valuable in regard to India, is this: one of the great difficulties of the case is, that people are unwilling to send their capital to India, because they do not know whom to trust there. If a constitution could be devised, by which persons could be assured that those who had the chief management of the undertaking were more deeply concerned in it, their fortunes more thoroughly involved in it, than others, that difficulty would be, to a considerable extent, removed. If we get so far as that, then I think railroads should be made wherever there is a sufficient traffic at present, and it would very often be found that there is a district ahead of that into which a railroad can at first be profitably carried. Supposing a railway would pay if 100 miles long, but the next 10 miles would not pay, you might attach the 10 miles in the non-paying district to it, which would gradually improve the country, and make that 10 miles pay, and then you might carry on the line another 10 miles, and so on; and by that means you would get railroads introduced into districts though which you would not

carry

J. Chapman, Esq. — 11 July 1853.

carry them otherwise. Common roads, in connexion with the railway, should be made, to be supported by a toll; and I think the case might sometimes occur which, I believe, would have occurred in connexion with the Great Indian Peninsular Railway. If my investigations were not very much in error, and I think they have been confirmed very much by subsequent inquiries, that railway would have paid from 11 to 18 per cent. per annum; and I believe that it might still be made to pay that rate. If so, then I think the common roads branching from that railroad might have been made under an arrangement with the Government out of certain extra profits to be realised by that railroad. I think that might be done in some other cases; though I believe that is the best line for a railway which can be found at present in India. Then I think village district roads might be made by clubbing villages together, making the roads in each district of villages by means of the villagers themselves, under the superintendence of officers who should exercise a general oversight over them, to see that there was fair play, but still leaving the expense very much to be borne and the operations to be managed by the villages, subject only to that supervision.

8149. Mr. *Elliot.*] Would you make that compulsory?—Not without allowing a considerable time for it to be done voluntarily; if they were given the option of putting themselves under the provisions of a legislative Act, to be passed for the purpose, it might be done much more cheerfully than if they were compelled to do it. If there were districts interposed between others which had roads where they would not voluntarily make them, it might be right to step in eventually and say it should be done. As far as I could judge, from inquiries I made in the districts which I traversed, where I had occasion to make many observations which others had not much occasion to make, I believe neither tolls, nor such roads as those, would meet with any objection; certainly, tolls would not meet with any. The tolls on the Bhore Ghaut are an instance of that. I made frequent inquiries of the natives themselves (for I was living near some of their wildest villages for some months), whether they would make any objection to tolls for the support of roads? I explained to them what was done in England and in other quarters by private capital, and I found universally a recognition of the fairness of the principle, and a willingness to pay the needful tolls. But if the Government were to make the roads, then I believe the people are so much in the habit of thinking that the Government ought to do everything, and that the roads ought to be made with the Government funds, that very likely they would expect the Government to keep them in repair and let them be used without any charge. Everything would depend upon the main line being first made, and then subordinate parts of the system being made to correspond with it, so that the people should feel the advantage of the whole combination. Besides, if you make the little district roads first, you do not know but that they may be thrown out of use entirely by the railroad which may be made afterwards.

8150. *Chairman.*] Would you apply the same system to works of irrigation and improvement of production?—Yes, wherever it was practicable to do so, and I think, generally speaking, it would be practicable to insure by that means as much irrigation as the country can possibly want. On the western side of India, the only part of it of which I can say anything from personal examination, works for irrigation would generally include works for lifting the water from the bed of rivers 30 or 40 feet deep; that is, you would want a steam-engine, or some power of that kind; it is not, as in some other parts of India, where works of irrigation have been constructed by damming up the rivers.

8151. How would remuneration for such works by private enterprise be obtained?—I apprehend you would have to pass Acts by which the relations between the persons supplying the water and those using it should be fixed, just in the same manner as if you were to establish a company for the supply of Calcutta or Bombay with water.

8152. A private Act must be passed?—Yes, or rather a general Act converted into a private one on its being adopted by the parties.

8153. A revenue from the land being paid to the Government out of any improvements effected by works of irrigation, those who carried such works into effect by private enterprise must receive an additional payment from the occupiers of the land?—Yes; I conceive where there is a large fund to be

J. Chapman, Esq.

11 July 1853.

created by the application of capital and industry, there must be the means of paying for the application of those requisities, and all that is wanted is to devise an administrative machinery by which the two interests can be brought together.

8154. Sir *T. H. Maddock*.] A former witness has stated his opinion to the Committee, that not only should such works as you have alluded to be carried on by the Government itself, but that also it is the duty of the Government to aid in the cultivation of cotton especially, and of all other agricultural produce by making advances to the cultivators. What is your opinion upon that subject?—First, that it would be about the greatest departure from sound principle that I can very well think of; and in the next place, the very necessity which could have led any person to form such an opinion would be got rid of by better means of communication. The condition of the ryot now, I apprehend, is made almost desperate by this circumstance, that he has only his village money-lender to go to; that village money-lender has almost a local monopoly, and he always has his hand upon the throat of the cultivator; but if the means of communication between the centres of commerce, enterprise and capital, and the agricultural districts, were made easy, speedy, cheap, frequent, and safe, you would soon find plenty of capitalists who would go into the interior, and would displace, I think, the present system of what I may, in a certain sense, call extortion.

8155. Mr. *Hume*.] Do you think there would be natives of capital to be found able to raise sufficient means to carry on the works you have mentioned?—Not native Indian capital. I think India is a poor country, and that neither by means of extra taxes, nor by means of voluntary associations, supported by natives only, would you be able to make anything like the system of public works which India requires, both for its own interest and ours.

8156. How would you carry out the plan which you suggest?—I know of no other way than that by which a mining company for South America, or gas works in a continental city, or an Italian railway, or anything else may be carried out, and often is carried out, in England.

8157. Leaving it to individuals to associate together for the purpose?—Yes.

8158. Do you think any part of Western India is prepared for that system without the assistance of the Government?—It is not so much whether I conceive that the western part of India is prepared for it, as whether English capitalists are prepared for it; I believe in the western part of India there is all that is necessary to make English capital pay when there: I have no doubt there is nearly as much peace and security on the western side of India as there is here. I may relate a circumstance which occurred to me, and which impressed me very much: I was talking with a patell in the wild Ghaut country, and asking him whether he could remember the times of the native rule; he said, "Yes; he was about 18 years old when Bajee Row was taken to Benares." "How did you get on then?" he said, "We could not go to the khind (about three miles off) except three or four in company." "How do you get on now?" he said, "You may put a purse of gold at the end of a stick and throw it over your shoulder, and go all over the country in perfect safety." The circumstance which struck me most was, that some of the descriptions of the change which took place in England in Alfred's time employ exactly the same expression.

8159. Are the Committee to understand that the security to property since the period you mention has so greatly increased, that there would be no difficulty now in finding capital to carry on those works?—I am not now speaking about capital being found; what I mean is, that there is no reason arising from any insecurity in the country why capital should not locate itself there.

8160. You consider the protection to be sufficient for every purpose which commercial or other transactions might require in that district?—Quite so, as far as I have observed. I may mention a circumstance in confirmation of my view. The year before I was among the Ghauts there were disturbances, but they were disturbances between different parties of the natives; they put the Government to considerable trouble, and they spread over a considerable extent of that part of India, but they were entirely violent differences among various classes of the natives, over whom the Government had to exercise control, for the benefit of all parties. My horses were in the ruined house of a patell, whose son was transported for his share in those disturbances, but I had no fear

fear or apprehension or anything of the kind. I was there without any arms whatever, my only weapons being my table knives: but I never appeared to be in the slightest danger. I could add other facts to the same effect.

8161. You say the natives have not capital themselves, but that capital might be easily advanced from England. It has been stated to the Committee that if Europeans were to advance money for the growth of cotton or any other cultivation, they would have no means of securing the repayment of those advances. What is your opinion upon that subject?—I think that is very likely to be true, but I do not think that would affect this question. Those men have, all the days of their lives, and their fathers for generations before, always had upon their throats the grip of the tax-gatherer or the banyan. If that grip is instantly released they will be in much the same condition as negroes are who suddenly come to freedom, and who for a time think the best thing they can have is to be exempted from work. I do not think there is any probability of such men willingly fulfilling their contracts till they have been brought under a better system; but I do not apprehend that that would be the case here. In providing the needful legislation for great public works, the Government would make those laws which would reach the case.

8162. Are you aware how far the laws at present existing would reach and provide for such cases?—That I have not had an opportunity of inquiring into so far as to enable me to answer the question. As to everything connected with the obtaining of land, and the general security of property, and that class of objects, I have no doubt whatever. Though I think at Calcutta, in the Act which they proposed to pass there, they made some considerable mistakes, supposing it to be applied to the very different circumstances of Bombay, yet, upon the whole, it does not seem to me that there would be any difficulty.

8163. You are of opinion that an intervening period must exist between the present state of things and that improved state of things which you anticipate; how is that to be brought about?—I think the present difficulties might be very well met in the case of railway companies by their own arrangements; they might make contracts with individuals for the carriage of large masses of goods, which those individuals would collect, leaving the natives to dispute among themselves about the details.

8164. Do you propose that there should be European servants exclusively employed to carry on the railways, or that there should be a large proportion of natives?—I propose a considerable establishment of Europeans in the first instance, to be afterwards filled up, in a large proportion, with natives, as fast as natives could be found to manage the different parts of the business; but it would be necessary to compose the establishment in the first instance, to a considerable extent, of Europeans.

8165. Sir *J. W. Hogg*.] From your experience, do you think there is anything in India to prevent a European who has capital, and who wishes to invest it in land, or in any other speculation, from doing so?—As far as my own observation goes, I think there is some difficulty, but not a difficulty which a resolute man would shrink from. About the time it was concluded that the railroad had better go over the Malsej Ghaut, I made application to the Government for a transfer of the Government rights over three villages, of which two were deserted, and one was a very small one. It includes the great mountain mass of Hurrychunder, which has a habitable plain very nearly 4,000 feet above the sea. It appeared to me if that district could be put into the hands of a small company great improvements might be made in it, and it might become a sort of suburb and sanatorium for Bombay, being about four hours railway ride from it. I wrote to the Governor on the subject; it was referred to the collector. I was informed that the collector recommended a grant on the terms of 30 years' purchase of the Government realizations. A copy of those realizations, as a matter of private favour, was sent to me. In the course of those inquiries I found that some such application had been made with respect to a grant of land at Ahmednugger for some private purpose. The difficulty in that case was this, not that the Government was unwilling to make the grant, but they encumbered it a good deal with conditions respecting the use to be made of it, so that if the purpose for which the purchaser wanted it failed, it should come into the hands of the Government again. That is the only difficulty which I see in the case.

J. Chapman, Esq.

1 July 1853.

8166. If a European wants to purchase land, he has as good an opportunity of doing it as a native has, has he not?—I apprehend so. Generally speaking, the natives will not sell their land; that is, those who are hereditary owners of the land.

8167. If land is sold by public auction, from the necessity of the individual, or whatever cause it may be, it is open to a European to purchase and hold it upon the same terms as a native can, is not it?—In the particular district I am acquainted with, I found that the meerasdars, those who had a hereditary right to the land, were very unwilling to sell it; they would exchange one piece of land for another, but they would not sell land for a pecuniary price.

8168. In the case of land which is for sale, is there anything to prevent a purchase by a European any more than a purchase by a native?—Not that I am aware of, except that there is a dormant law by which a European may be prevented from settling in a great part of India. I was in a district from which I might have been excluded, but I heard nothing of the application of the law, and, on the contrary, was everywhere welcomed and aided; nevertheless, the existence of such a law can hardly be laid out of account. This law, which is found in the 81st and following clauses of the Act of 1833, would exclude Europeans from nearly all the continental parts of the Bombay Presidency, from the Saugor and Nerbudda territories, from the upper part of Gangetic India, from Scinde and the Punjab, from Assam, and from the east side of the Bay of Bengal.

8169. You truly mentioned that the advances now made to the ryots are generally made by natives at a very exorbitant rate; those natives are repaid from the crop, are they not?—Yes.

8170. If Europeans were to advance their money at a more moderate rate, they would have exactly the same means of recovering that advance that the native money lender now has, would they not?—In law, I apprehend they would, but in practice I apprehend they would be in a very different condition, because the native money lender, living in the same village with his debtors, knowing all their circumstances, and being able to put his hand upon them just when and how he pleases, can wring his demand out of them, with law or without law, pretty nearly as he likes; but a European, living probably at the Presidency, and employing only a local agency, perhaps very little interested in the matter, has not the same power over them.

8171. Have you been in any part of India except the Bombay territory?—No; I am speaking now with reference to that territory.

8172. Do you think, that the knowledge which the native money lender has of the native character would afford him superior facilities?—Yes, and his residence among the people themselves, and his knowledge of all their circumstances.

8173. Do not you think the native, if he obtained money from an European as an advance without interest, would very soon learn to estimate the advantage of doing so, rather than of paying, as he frequently does now, 3 or 4 per cent. per month, and that in a short time that advantage, being appreciated, would produce good results?—I think so, but I think it is very unlikely that you would find Europeans in India who would attempt that, for this reason, situated as they are necessarily at the principal seats of commerce, the Presidencies, they cannot have that intimate local knowledge which should enable them to make their advances with any safety, or collect their dues with any sort of regularity; but if there were ready means of communication, so that the outlying districts were practically brought much nearer to Bombay for instance, then I think you would find a class of men spring up very rapidly who would employ large capitals to assist the cultivators on far more favourable terms that at present.

8174. Whatever the means of communication may be, it is impossible that produce can ever be raised at such a price as to be remunerative, unless the producer gets his advances either free of interest, or at least at a moderate rate of interest?—My inquiries chiefly relating to cotton, I think I may say, that even bad as things are now, and taking the cotton which is raised in the Nizam's dominions, where the land-tax is often more than the whole value of the crop, and the interest on advances most exorbitant, cotton might be brought

J. Chapman, Esq.

11 July 1853.

brought down to Bombay at a profit, if you had a railway; but you cannot bring it down now; if you had all the cotton stacked in Berar which England could possibly use next year, it would be perfectly useless, because there are not the physical means of bringing it down. I mention that, because a supply of capital upon better terms to the cultivators is not the only thing, or even the principal thing, which is wanted in order to a supply of cotton; and if it is so in cotton, then I apprehend it is so as to the general exports of the country.

8175. *Chairman.*] Have you any other observation which you wish to make? —From all the inquiries which I have made, from the workmanship of the natives which I saw, and from the facility with which they seem to acquire new capabilities, I should have no fear of finding the practical means of the execution of railways in the country, under suitable English superintendence. I saw the Government foundry, and arsenal, and dockyards at Bombay, and I observed the habits of the natives very much, with respect to their workmanship in different parts of the country, and I do not think there is any difficulty existing in that respect; all that they want, in my opinion, as to eventual capabilities, is capital, plans, and English superintendence, although no doubt machinery, &c., will long be better supplied from England.

8176. Mr *Newdegate.*] Do you mean, that railways should be constructed by independent capital, as they have been in England?—Yes.

8177. But with the same authority to take land, and the same security for the good conduct of the company and the safety of the lines?—Yes; whatever the general interest may require in the way of legal regulation, I should not ask for Indian railways any exemption from, any more than I should in England.

8178. You would expect them to be authorised by a law of the Supreme Government, so far as the purchase of land went, and so far as concerned the good conduct of the line and the safety of the passengers, and that they should also be under the regulation of the Supreme Government?—Exactly so. I should not ask for an Indian railway any exemption from the law, any more than I would for an English one.

8179. Mr. *Hume.*] Generally speaking, you think railways might be constructed very beneficially, not only to the proprietors, but also to the country? —In certain parts of India I think they might be constructed very beneficially to the proprietors; but I think it is very possible that railways might be again proposed in India, as sometimes they have been, which no man who had to see how they could be made to pay ever would propose.

Jovis, 14° *die Julii*, 1853.

MEMBERS PRESENT.

Mr. Baring.	Mr. Mangles.
Sir J. W. Hogg.	Mr. Spooner.
Sir T. H. Maddock.	Mr. Hardinge.
Mr. Vernon Smith.	Mr. Ellice.
Sir Charles Wood.	

THOMAS BARING, Esq., in the Chair.

James Cosmo Melvill, Esq., called in; and further Examined.

J. C. Melvill, Esq.

14 July 1853.

8180. *Chairman.*] CAN you furnish the Committee with information of the pecuniary result of the compromise effected between the Government of India and the East India Company, under the Act of 1834?—I can. The total sum realised from the commercial assets of the Company was 15,858,928*l.* The whole of this was applied to the purposes of the Government of India, in accordance

J. C. Melvill, Esq.

14 July 1853.

accordance with the provisions of the Act. The principal items of the appropriation were, 2,000,000 *l.* for the formation of a Guarantee Fund; 5,464,000 *l.* to the discharge of a part of the registered debt of India; 2,727,344 *l.* to the discharge of the Carnatic Debt; 1,788,520 *l.* to the discharge of a part of the Home Bond Debt, and 2,188,873 *l.* to the payment of current territorial charges in this country, thereby avoiding, *pro tanto*, the necessity for the remittance of territorial funds from India.

8181. What is the present amount of the Guarantee Fund?—The total amount is 3,746,227 *l.*; the amount of stock which it has purchased is 4,118,411 *l.*; the average cost has been 91 per cent.

8182. Sir *T. H. Maddock.*] How was the sum of 2,000,000 *l.* appropriated for this purpose secured?—It is invested in the public funds of this country under the authority of an Act of Parliament.

8183. *Chairman.*] There is no further addition to the Guarantee Fund, except the re-investment of the interest, is there?—None.

8184. What is the amount of the revenues of India remitted to England?—From 1834-35 to 1852-53 India has remitted 60,490,000 *l.*; the average of that remittance is 3,180,000 *l.* per annum.

8185. In what mode, and at what rate, have the remittances been effected?—Principally by bills on India; that is the mode of remittance now exclusively employed. Large sums during this period have been remitted by means of advances made upon the security of goods under hypothecation, but that system has for some time been abandoned. The rate at which we have effected those remittances for the whole period is 1 *s.* 11¼ *d.* a rupee.

8186. Would there be any inconvenience in the Company pledging itself not to advance hereafter upon the hypothecation of goods for shipment from India?—There might be inconvenience in their giving such a pledge, in case there should be a sudden necessity or alterations in the trade, making it difficult for them to negotiate their bills. I think we had better be without a pledge. There is no danger of hypothecation ever being resorted to again, except under circumstances of necessity, which, I think, are not likely to arise.

8187. You think it better to retain the power, but not to avail yourself of that power, except under the most pressing circumstances?—I do. Having so large a sum to remit, I think the Government ought to be left free to adopt any mode of remittance which may be available in case it should be necessary.

8188. Sir *T. H. Maddock.*] In case of the question being left upon that footing, would you think it necessary to stipulate that recourse should not be had to advances on hypothecation, without a certain amount of notice being given to the public?—No recourse could now be had to that system without our giving notice; we notify the amount that we require to remit, and the mode in which we propose to remit it annually.

8189. What extent of notice do you think necessary before the system comes into operation?—Three months' notice. I do not think it necessary to depart from the existing system, which appears to be perfectly satisfactory to the mercantile community; at least, we hear no complaint of it.

8190. Mr. *Mangles.*] Is there any estimate or conjectural estimate which may be relied on of the amount remitted from India by private individuals?—Such estimates have been formed, but I imagine upon very uncertain data.

8191. Can you state to the Committee approximately what you suppose the amount to have been?—I have heard it stated at 1,500,000 *l.* or 2,000,000 *l.* in the year, but I do not know the grounds of the calculation.

8192. *Chairman.*] Will you state generally the financial result of the Indian administration since 1834?—Referring the Committee to the accounts before them for the details, I would state, that in five of the years, from 1834 to 1851, there has been a surplus, and in 12 there has been a deficiency. The net actual deficiency of the whole period to April 1851 was 11,385,282 *l.* Since these accounts were rendered, we have received the accounts upon estimate for 1851-52, showing a deficit in that year of 469,700 *l.*; and for 1852-53, showing a surplus in that year of 601,021 *l.* The whole period of 19 years will show a net deficit of 11,253,962 *l.*

[*The following Statement was put in:*]

J. C. Melvill, Esq.

14 July 1853.

STATEMENT showing the AGGREGATE DEFICIENCY of REVENUE to meet TERRITORIAL CHARGES in the Whole Period, 1834 to 1851.

	SURPLUS.	DEFICIENCY.
	£.	£.
1834–35	-	194,477
1835–36	1,441,512	—
1836–37	1,248,224	—
1837–38	780,318	—
1838–39	-	381,787
1839–40	-	2,138,713
1840–41	-	1,754,825
1841–42	-	1,771,603
1842–43	-	1,346,011
1843–44	-	1,440,259
1844–45	-	743,893
1845–46	-	1,496,865
1846–47	-	971,322
1847–48	-	1,911,986
1848–49	-	1,473,225
1849–50	354,187	—
1850–51	415,443	—
£.	4,239,684	15,624,966
Deduct Total Surplus Revenue - - - £.		4,239,684
Net Actual Deficiency to 30th April 1851 - - - £.		11,385,282
1851–52 (partly estimated) deficit - - -	£. 469,701	
1852–43 (estimated) surplus - - - -	601,021	
		131,320
	£.	11,253,962

The debt has been increased by 12,912,607 *l.*, and within the period the commercial assets applied to the discharge of debt amounted to 9,930,376 *l.*, but for which the increase of the debt would have been 22,842,983 *l.*

8193. What items of the commercial assets do you consider applicable to cover the deficit?—Those which, as I have already said, were applied to the discharge of Registered Debt, the Carnatic Debt, and the Home Bond Debt.

8194. The Registered Debt, the Carnatic Debt, and the Home Bond Debt existed before 1834, did not they?—They did; and they were, to the extent which has been mentioned, discharged by the commercial assets; if they had not been so discharged, the necessity for borrowing money in India would to that extent have been increased.

8195. There has been a large increase in the gross revenue of India since 1834, has there not?—Yes, there has; the gross revenue of India in the year previously to the commencement of the present term, that is, 1833–34, amounted to 18,016,918 *l.* In 1850–51 the amount was 25,536,634 *l.*, showing an increase of 7,519,716 *l.*

8196. To what extent do you consider that that increase is to be ascribed to the increase of the resources existing in 1834, and what to the acquisition of the new territory?—I hold a statement in my hand, which shows that of the increase which I have mentioned, 4,860,479 *l.* is apparent in the old resources, independently of the new territory. The gross revenue of Scinde, the Punjaub, and the newly acquired territories, amounted to 2,311,237 *l.* There was a nominal increase of the land revenue in Bombay of 348,000 *l.*, caused by a different mode of stating the account; those sums together make up 7,519,716 *l.*

8197. Can you state how that nominal increase of the Bombay land revenue arose?—The Bombay Government used to deduct from the revenue grants to mosques, pagodas, &c. The impropriety of this was pointed out by the Court, and the gross amount is now stated.

8198. Sir *T. H. Maddock*.] Have you the detail showing what the sum of 486,000 *l.*

J. C. Melvill, Esq.

14 July 1853.

4,860,000 *l.* consists of, separating the land revenue from the other items?—I have. I will deliver in the Statement.

[*The same was put in, and is as follows:*]

		£.
The Gross Revenues of India amounted in 1833–34 to	- - -	18,016,918
1850–51 to	- - -	25,536,634
Showing an Increase in the latter Year, of	- - -	£. 7,519,716

The Increase is derived under the following Heads:		£.
Opium		2,081,099
Customs		179,384
Stamps		102,390
Land		4,288,963
Excise duties in Calcutta		8,403
Sayer and Abkaran		494,498
Mohturpha		20,948
Miscellaneous		360,924
		7,546,609
Decrease in Salt		26,893
	£.	7,519,716
Deduct gross revenue of Scinde, Punjaub, and other newly acquired territories	2,311,237	
Also, nominal increase of land revenue at Bombay, arising from the revenue in former years having been stated after deduction of grants to mosques, pagodas, &c.	348,000	
		2,659,237
	£.	4,860,479

	£.
Or, Opium	2,081,099
Customs	157,395
Stamps	83,613
Land	1,995,042
Excise duties in Calcutta	8,403
Sayer and Abkarree	235,932
Moturpha	15,703
Miscellaneous	310,185
	4,887,379
Deduct decrease in Salt	26,893
	£. 4,860,479

8199. That sum of 1,995,000 *l.* is due to the improved system of collection of the land revenue?—Yes; of course part of it may have arisen from resumptions; I have not the means at present of distinguishing the proportions.

8200. *Chairman.*] Can you state the financial result of the administration of Scinde and the Punjaub since they came under the British rule?—Scinde has been under the British rule for 10 years; during the first five of those years the average charge was 378,250 *l.*; during the last five years it has been 193,976 *l.*

8201. That is the charge beyond the revenue?—Yes; the Punjaub we have had for four years, and there has been a surplus of 468,292 *l.* per annum on the average.

8202. Sir *T. H. Maddock.*] Do the estimates for the future hold out a prospect of increase?—Not materially.

8203. Mr. *Mangles*.] Has there not, in one or two of the last years, been a very considerable item for public works in the country?—There was a large item in 1851–52, to the extent of 15 lacs of rupees, for building and other public works.

J. C. Melvill, Esq.

14 July 1853.

8204. *Chairman*.] The deficiency calculated on Sattara has now been changed into a small surplus, has it not?—Yes, it has.

8205. Sir *T. H. Maddock*.] Does that make any allowance for the military expenses?—It does not.

8206. What effect do you consider to have been produced on the finances of India by the abolition of the transit duties in 1835?—It would appear from the printed accounts that the Customs duties have entirely recovered from the effect of the abolition of the transit duties; but this is more nominal than real, in consequence of the alteration which has taken place with regard to the salt duties, under which large quantities of salt are now imported into India, and are subject to an import duty, which is carried to the head of Customs. No doubt other branches of the revenue have been benefited by the abolition of the transit duties, though it is not possible to state to what extent. Upon this subject of transit duties, whilst no objection can be taken to giving the credit of the abolition to all parties who had a share in that great measure, yet as the conduct of the East India Company has been impugned with respect to it, and it has been suggested that they were rather obstructives than promoters of the abolition, perhaps the Committee will allow me to state to them that, on the 10th of June 1823, the Court addressed a despatch to the Government of India, in which, after assigning the reasons, they added, "Upon all these considerations, we direct that, on the receipt of this communication, you immediately take into your particular consideration the propriety of abolishing all internal duties, under whatever name collected, on piece goods and raw cotton, the produce either of our own territories or those of our allies." I believe that was the first suggestion which appears upon the Indian records with respect to the abolition of the transit duties.

8207. Sir *T. H. Maddock*.] That was confined to piece goods and raw cotton?—It was.

8208. Mr. *V. Smith*.] Why was not that direction followed up?—It was followed up, but at a distant period. I apprehend that the first Burmese war, and consequent financial considerations, interfered with it.

8209. What period intervened between the date of that despatch and the first step which was taken in the abolition of the transit duties?—In 1829, the Court wrote again upon the subject. On the 27th of January 1830, the Court said, "The great objections to the transit duties appear to us more deserving of attention each time we recur to the subject." Then came Lord Ellenborough's interference in 1835, when he desired a despatch to be written, giving specific instructions for the abolition of the transit duties. The Court were then apprised of the abolition of the duties on the 2d of March 1836, and when apprised of it, they stated, "the measure itself is in entire accordance with our previously expressed views on the subject."

8210. Sir *T. H. Maddock*.] Was the letter which was written in 1823 caused by any pressure from persons at Manchester?—None whatever.

8211. *Chairman*.] Will you send in a statement of what the net revenue arising from the transit duties previously to their abolition was?—I will endeavour to do so. The amount was, I believe, more than 60 lacs of rupees.

8212. What is the present amount of the registered debt of India as compared with the amount in the year 1834?—On the 1st of May 1834, the registered debt of India amounted to 35,463,483 *l.*, and the home bond debt to 3,523,237 *l.*; the total debt therefore was 38,986,720 *l.* On the 1st of May 1851, which is the latest account we have of the debt in detail, the registered debt of India amounted to 47,999,827 *l.*, and the home bond debt to 3,899,500 *l.*, making a total of 51,899,327 *l.*; the deficiency being 12,912,607 *l.*

8213. To what extent do you consider that the finances of India have been affected by the wars which have occurred since 1834?—It is not possible to state precisely the expense occasioned by the wars which have occurred. The establishments have been increased, but to what extent consequent upon the wars cannot be very accurately ascertained. I consider therefore that it is only an approximative estimate which can be formed, and this is attempted in a despatch dated in June 1852, which is upon the table of this Committee, and which shows

and

J. C. Melvill, Esq.

14 July 1853.

and states the ground for the calculation that the excess of military expenditure, as compared with the period antecedent to the Affghan Expedition has been 30 crores of rupees, besides the increased interest on the money borrowed from time to time to make up the deficiency.

8214. In stating the surplus of the Punjaub, do you deduct from the revenue all the expenditure of the troops employed in the Punjaub?—No; only that of the local corps.

8215. Why should you not deduct the expenditure of the whole military force employed in the Punjaub from the revenue received?—It has not been so done in India; besides we should have to consider what the expense would have been, or where the force now in the Punjaub would have been stationed had it not been for the acquisition of this territory. There has been no increase of the military force consequent upon the acquisition of the Punjaub; and therefore no portion of the military expenditure could be properly stated as a charge upon that territory specifically.

8216. It is in fact only an exchange of one boundary for another, upon which the same number of troops are employed?—Exactly so.

8217. Mr. *Mangles*.] The troops have been thrown forward to a more advanced frontier?—They have.

8218. But the whole of the expense of the local regiments raised in the Punjaub for police and other purposes have been charged against the revenue?—They have.

8219. *Chairman*.] The Committee have been informed that the financial system of India is the least perfect and advanced of all the branches of administration; that in fact it is still in a crude and elementary state; how far do you concur in that opinion?—I do not at all concur in it, and I regret that any such statement should have come to this Committee, especially from a gentleman who was formerly a most promising member of the civil service of India; and I am quite convinced that had he sought information, either at the India House, or at the Board of Control, he would not have made any such statement. I may be allowed perhaps to speak with some interest on this matter. I have been more than 30 years honoured with the confidence of the East India Company, as their principal financial officer, and throughout that period I have witnessed a most anxious desire on the part of both the Court and the Board to detect defect in our system of finance, if they existed, and to correct them. I do not pretend to say that our system is perfect; far otherwise; but I am sure it will bear comparison with the financial system of any country, not excepting England. We have not indeed in India a House of Commons to exercise a vigilant supervision over all items of the public expenditure; that is not a defect in our system, it arises from the circumstance that the Government of India is not, and cannot at present be representative; the Governor-general administers the finances of India, under the general control of the home authorities, and when defects have appeared, remedies have been applied. It was only in 1843 that Lord Ellenborough, taking a view similar to one which had been taken by Lord Auckland, his predecessor, remodelled the system, "so as to bring" (these are Lord Ellenborough's words) "the finances more immediately within the active control of the Government;" and for that purpose he concentrated in one officer the supervision of the expenditure in every branch of the State, which arrangement continues; the office alluded to was that of financial secretary, which did not exist previously.

8220. Is there any periodical revision of the Indian expenditure?—There is a constant revision of the Indian expenditure, by means of quarterly statements of all increases and decreases of charge, which statements after being dealt with by the Indian Government, are transmitted with the records of that Government to the Court of Directors to be dealt with here if they think fit. On the 12th of March 1850 the Court wrote to the Government of India as follows, "We desire to be furnished with quarterly returns, from the 1st of May 1837, of the increase and decrease of the civil charges, specifying what part of the increase is permanent, and what temporary, and showing when the temporary establishments were reduced, and the date at which they were created."

8221. Is there any comparison instituted between the estimate and the actual accounts of each year?—Yes; there is a most minute comparison by each of the Governments, and afterwards by the Government of India, between the estimated and

and the actual accounts of each year, and the results of that comparison are transmitted to this country, with the observations of the Government.

8222. There is, first, an audit of the expenditure, is not there?—The accounts are all audited in India, under codes of rules applicable to the civil and the military departments of the service respectively.

8223. That examination is made in India?—The comparison of the actual accounts with the estimate is made in India, and the result is transmitted to this country for the information of the authorities here, and forms the subject of despatches from them to the Government of India, as often as they think fit. All the accounts of the subordinate governments are forwarded to the Supreme Government, and come under the review of the financial officer, who was appointed in Lord Ellenborough's time to supervise the expenditure. He makes his report, and his explanatory statement, and the whole then, with a despatch from the Government, is transmitted to this country.

8224. It is then brought before the authorities here?—It is.

8225. And those authorities makes their observations?—They do constantly make their observations, especially upon the differences which may appear between the estimate and the actual result.

8226. Sir *T. H. Maddock.*] Is the audit which you speak of, an audit of the accounts in gross or of each separate item of expenditure?—Every item of the account is audited in India.

8227. With vouchers?—Yes.

8228. Mr. *Mangles.*] So that not a single rupee is issued from the Treasury for any expense, say in the civil department, without a regular voucher written across the face of the bill by the auditor, that it is a legitimate item of expense?—Yes, and so with the military expenditure; every paymaster is practically an auditor, and nothing which he disburses is allowed to him in account till it is audited.

8229. Sir *J. W. Hogg.*] Is it a pre-audit or a post-audit; an audit before the payment, or an audit after payment?—Most of the fixed salaries are paid under established rules; the audit of contingent expenditure takes place after the disbursement.

8230. *Chairman.*] It has been stated to the Committee that redundancies and deficiencies of establishments are allowed to accumulate till they become no longer bearable, and that then finance committees are appointed; do you concur in that statement?—I do not concur in it, but, on the contrary, must be permitted to deny its accuracy. A broad distinction is always drawn in India between temporary offices, such for example (and I believe the instance has been referred to in evidence before this Committee) as officers employed in revenue settlements or resumptions, and offices of a permanent character. The eye of the Government is continually upon this distinction, and the opportunity watched for saving the proportion of the charge which is temporary. The statement that finance committees are required for such a purpose is, so far as I know or can judge from documents, utterly unfounded. As an example, here are the proceedings of the Government of Bengal in the revenue department, dated June 1846, in which the Secretary to the Revenue Board writes to the Secretary to the Government, and sends two lists, drawn up in a prescribed form, under a regular system; one containing the names of the deputy collectors who are in employment at this date, and the other, those whose services have been dispensed with in consequence of their services being no longer required, and who are waiting for employment. I mention this to show that it is the system of the Government to watch most vigilantly those temporary offices.

8231. Sir *C. Wood.*] Do you remember some recent correspondence on the subject of the employment of temporary officers on the works of the Ganges Canal, in which orders were sent from home relaxing the stringency of the rules prevailing in India, in consequence of its being clear that they actually impeded the public service?—I well remember the circumstance, and instructions were sent to India in consequence.

8232. *Chairman.*] It has also been stated that there is no annual comparison of the whole of the income with the whole of the expenditure, nor any systematic apportionment of the surplus for the public benefit; have you any remark to make upon that statement?—There is a system of examination, which results in the ascertainment of either a surplus or a deficit. When there is a surplus, the Government feels itself free to sanction and go on with works of public utility.

J. C. *Melvill*, Esq.

14 July 1853.

When there is a deficit, of course their power of advancing such works is materially crippled and impeded; but a systematic examination takes place, and the result determines the proceedings of the Government.

8233. The whole expenditure of India is controlled by the Governor-General in Council, is it not?—Yes, it is. The Act of 1834 invested the Governor-General of India in Council with more comprehensive powers than previously existed over the finances of the subordinate governments, and it was to enable the Government more effectually to exercise their authority that Lord Ellenborough made the arrangement which I have before mentioned.

8234. Then you do not consider that the Government of India is kept in tutelage by the Home authorities?—No, I think it quite a mistake to say so. The current supervision of the finances of India is with the Government of India; the Home authorities undoubtedly exercise a control, but that is principally with respect to propositions for increasing salaries or for creating new offices or granting pensions; in those cases it has been considered salutary that the Government of India should be kept in check by the Home authorities. Besides this, the Home authorities review periodically the finances of India. The Committee have before them an example of what those reviews are. The last I think was dated in June 1852, and has been printed.

8235. Sir *T. H. Maddock*.] To what extent is the Governor-general in Council permitted to sanction any expenditure upon public works without the previous sanction of the Home authorities?—There was an old limit of 10,000 rupees. I believe that has been extended to 50,000 rupees; but now the reference to the Home authorities it so quickly made and answered, that no inconvenience arises from that limit.

8236. Is it your opinion that any inconvenience would attend the extension of that limit of 50,000 rupees?—I do not see that any advantage would be gained by relaxing the check which at present exists.

8237. Mr. *Hardinge*.] Has any inconvenience hitherto arisen from that limit being maintained?—I do not think there has.

8238. Sir *T. H. Maddock*.] Is not the Governor-general in Council as competent to judge of the necessity of any particular expenditure, and of the existing state of the finances, as the Home authorities can be?—The constitution of the Government of India involves a control by the Home authorities; and while that constitution exists, I do not think it any fair ground of complaint that rules are prescribed to the Government limiting its powers.

8239. Is not it the fact that the Governor-general can, without reference to the Home authorities, enter into a course of proceeding, such as the invasion of a territory, or the declaration of war, liable and likely to entail far greater expenditure than that to which he is limited for the purposes of public works?—The Government of India is, by law, expressly precluded from entering upon any such courses of proceeding without instructions from the Home authorities, unless in case of necessity, the burden of the proof of which lies with the Government.

8240. *Chairman*.] Was it the policy of the Company, previously to 1834, to mix up their territorial and commercial concerns in matters of account?—Quite the contrary. I am astonished that such a statement should have been made. The Charter Act of 1813 prescribed that the accounts of territory and trade should be kept separate and distinct, and required that a plan in detail should be arranged for the purpose. A plan was so arranged: the law has been strictly obeyed; no considerations of policy were ever permitted to interfere with it. In 1834 the effects of the plan, and its results, underwent the strictest scrutiny by Parliamentary Committees. The Board of Control appointed a professional accountant to investigate those accounts, and the result was, that the East India Company's accounts of the transactions between the territory and the trade were maintained in every respect.

8241. Was there anything in the way in which those statements of account were made out that could give rise to the idea that they were mingled?—I think not. Of course long complicated accounts require a professional person or persons familiar with the system of accounts to unravel them; but there was nothing that an accountant could not immediately understand.

8242. How are the accounts from India kept?—They are kept upon the principle of double-entry. I have been surprised and somewhat amused to hear it stated as a proof of the superiority of the English over the Indian system, that

that books of account on the principle of double-entry have been opened in each of the departments; in this respect the example of the Indian system has been copied; every officer of account in India, as long as I have known the department, has his books of account kept upon the principle of double-entry; those books of account are sent periodically to the Governor-general, and then the financial officer at the Presidency compiles his general books, which are sent home. I wish I had an opportunity of showing to the Committee a set of those general books; they contain perhaps the only example in the world of all the financial affairs of a great government, comprehending several subordinate governments, reduced into books of account, made out in the form and upon the principle of a merchant's accounts.

J. C. Melvill, Esq.

14 July 1853.

8243. Is there any change or improvement which your experience enables you to suggest in the mode of keeping the accounts of the finances of India?—There is not; there may be improvements in the mode of stating the results, either for the information of Parliament or of other persons, but not in the mode of keeping the accounts.

8244. Do you recollect any complaint by Sir Charles Metcalfe of the way in which the accounts were kept in India?—Not of the way in which the accounts are kept; but I recollect a case in which Sir Charles Metcalfe made a blunder; in the year 1835 he wrote to the authorities in this country to tell them that he feared that the finances of India would not bear the charges under the new system prescribed by the Act of 1834, and in proof of that he made certain financial statements, the practical effect of which was to include a large amount of the home payments twice. In the course of a few weeks the mistake was pointed out, and he wrote a despatch explaining his mistake, and correcting it. Surely this is no proof that our system is defective. It is an unavoidable circumstance, from the necessity of the case, that part of our revenue is expended in England and part in India, but every one who is conversant with Indian finances knows that.

8245. Did this mistake of Sir Charles Metcalfe's arise from the confused state of the accounts, or was it a mere accidental error his part?—Certainly not from any confusion in the accounts. I am surprised that some officer of account, at the moment, did not point it out to him.

8246. Sir *T. H. Maddock*.] Would not you attribute the mistake made by Sir Charles Metcalfe to the accountant-general of that day?—I am not prepared to say that; I am not informed. I remember Lord Hastings taking the whole of the finances out of the hands of the accountant-general, and writing a despatch according to his own view, and contrary to the views of the financial officer.

8247. That was a period when Mr. Holt Mackenzie was one of the secretaries, was not it?—I believe he was.

8248. Mr. *V. Smith*.] Have those letters of Sir Charles Metcalfe, the first alleging that there was a deficit, and the second acknowledging his own mistake, been printed?—No.

8249. Could you produce them?—I could.

8250. *Chairman*.] Do you consider the system of accounts in England to be applicable or capable of being applied to India?—I am not very conversant with the system of financial accounts of this country, and I very strongly deprecate, and should wish to avoid the common error of attempting to speak upon a subject with which one is not familiar. The proposition, however, to have a budget in India, annually voted by the Legislative Council under the proposed enlarged constitution, and to incorporate it in an Appropriation Act, is a novelty, and I would submit, that we are scarcely sufficiently advanced to attempt so to apply to India the principle and the practice in finance of a representative government. I would further observe, that the inconsistency of so checking the acts of the Governor-general, and yet complaining, as has been done in evidence which has been given to the Committee, that the Governor-general is too much checked from home and kept in tutelage, is manifest.

8251. By the Act of 1834, it was provided that the Court and the Board should frame the forms in which the results of Indian finance should be exhibited to Parliament; what was done in consequence?—As soon as the Act of 1834 was passed, forms were prepared, and with alterations suggested by the Board of Commissioners, were adopted. I have in my hand the forms now in use. They prescribe the rate of exchange at which the Parliamentary accounts should in future be rendered, being 2*s.* a sicca rupee.

J. C. Melvill, Esq.

14 July 1853.

8252. Sir *T. H. Maddock.*] Popularly, the accounts are converted from rupees into sterling money, are not they?—Yes, at 2*s.* a rupee.

8253. That being not sicca rupees, but Company's rupees, which are of 16 per cent. less value?—That is the popular practice, and its accuracy must depend upon the value of silver in the market; 2*s.* the sicca rupee was close upon the metallic value of the coin when that rate was adopted.

8254. *Chairman.*] It has been stated in evidence that the accounts are given net and not in gross, is that the case?—If the Committee will refer to the accounts, they will see that the income and expenditure are stated in gross, and that in order to show the amount of the gross income available for the purposes of the Government, the fixed charges upon the land, the charges of collecting the revenue, and the cost of salt and opium, are separately shown and deducted. This mode of statement was adopted to meet the objections taken, in the inquiries which took place previously to 1834, to the form of account which formerly existed; and it appears to me that it is quite as simple and intelligible as any statement which I have seen even of the finances of this country. With respect to the Home Accounts, an objection has, I hear, been taken to our having stated the balance of the transactions between the Government and the Company, instead of both the credits and the debits. Now, that account comprehends two large items. A claim of the Company on the Government for the expenses in England for the Queen's troops serving in India, and a claim of the Government on the Company for the balance of the expenditure for the China expedition. The Government asked the Company to pay what was due to them. The Company replied they would do so when the balance of the China account was settled. The accounts on both sides being nearly equal, one has practically been set against the other, and this has led to the statement of the account in the mode in question. I am myself a strong advocate for stating everything in gross, and that is the principle of all our accounts. There may occasionally be slight departures from it, but they are rare exceptions, and always susceptible of explanation. I see again, that an objection has been taken to our having stated the interest on the home cash balances as a deduction. It is so in the series of accounts applicable to the territory of India, because there is no head of receipt of revenue in this country to be included in these accounts, the only item of receipt being that casual one of interest upon the cash balances; and, therefore, it is stated among the home charges as a deduction; but if the Committee will refer to the Home Accounts, they will there find it stated in gross, and distinctly.

8255. Sir *T. H. Maddock.*] If it should be considered desirable to have annually exhibited the gross revenue under every item, would there be any objection to state that in the accounts, with the deductions?—That is now done; the gross revenue is stated, and the deduction is stated: those accounts can be rendered in any form that the House of Commons or Parliament may desire; there is this difficulty in altering the forms, which we experienced in 1834, that it destroys the power of comparison; and further, there are hardly two men who would agree in the mode of stating an account. We find Members of the House of Commons calling for the same thing under different forms; every man likes to have his account stated in his own way. I confess I see no objection to the present form of the account, but at the same time, if it is susceptible of any improvement, I am sure there will be the greatest possible readiness to improve it.

8256. *Chairman.*] Would it be possible to give with any exactness any return of the real cost of collection of the revenue in India?—I think it would be impossible, because the charges of collection include the salaries of officers of high importance in the administration of the country, and it would be very difficult to distinguish the proportion of such salaries which is applicable to mere collection, and the proportion which is applicable to administration.

8257. Sir *T. H. Maddock.*] Is there any distinction made in bringing to account the salary of such an officer as a magistrate and collector?—No; it is all stated under the revenue branch.

8258. Though a portion of it would more suitably come under the head of police and judicial administration?—I do not know whether it would be properly characterised as police or judicial. It is very important, even for revenue purposes, that the disputes with regard to land should be satisfactorily and promptly adjusted.

8259. Mr.

J. C. Melvill, Esq.

14 July 1853.

8259. Mr. *Mangles.*] Do you mean that a large proportion of the duties even of a collector are judicial?—They are magisterial.

8260. *Chairman.*] What amount of cash balances is considered to be required in India?—That has been a subject of very frequent discussion between the authorities in this country and the Government in India. Before the acquisition of the Punjaub, eight crores of rupees was regarded by the Home authorities as sufficient; the Government of India thought a larger sum was necessary; since the acquisition of the Punjaub, both parties have agreed that the necessity for cash balances was thereby considerably increased; and the latest account which we have received, and which is only dated three months ago, gives the opinion of Lord Dalhousie and his Government, that they could do in time of peace with 10 crores of rupees. Of course there are various circumstances to be taken into the account, in considering what amount of cash balance is necessary. There is the vast extent of the country; there is the difficulty of transport; the absence also in many parts of India of the means of remittance from place to place which are available in other countries, and the necessity therefore of making the remittance very frequently in bullion. There is further to be considered the immense amount of payments required to be punctually made at different places, upwards of 420 in number. I would further observe, that the revenue of India comes in unequally. The cash balances are stated as on the 1st of May, and the revenue does not begin to flow in abundantly until late in the year; so that there is, for a time, a gradual reduction in the cash balances, which creates a necessity for their being very large at the commencement of the official year. There are also very large requirements of the Home Treasury, which are obtained by means of bills upon the Government of India; and there must always be a degree of uncertainty as to the proportion of remittance which will be drawn at any particular period. It depends upon the state of the trade, and upon the demands of the merchants, and the Government must be prepared to meet bills to any extent within the amount of the annual requisition. By the last mail we drew for 700,000 *l.* upon the Government of India; I mention that to show the necessity for very large cash balances.

8261. The state of things is so different in India from what is in England, that you cannot make any comparison as to the relative amount of the cash balances required in the two countries?—Certainly not.

8262. Would there be no means, as in this country, of borrowing upon the growing revenue in India?—I think not; I should be sorry to see the Government reduced to that necessity.

8263. Could it be done?—I daresay the Bank of Bengal might possibly lend money for any temporary purpose; but the Court of Directors have considered that to be so mischievous, that they have interdicted any connexion of of that kind between the Government and the Bank.

8264. From one treasury to another, could not the accounts be settled by drawing?—They are so, as far as possible.

8265. That practice could not be increased you think, to such an extent as to diminish the amount required in the different treasuries?—I do not think it could.

8266. Sir *T. H. Maddock.*] Could you give the Committee a statement, showing, with respect to those 420 treasuries, the balance in each at any particular date, with the estimated expenditure of three months succeeding?—It would be very voluminous; we have such statements sent home.

8267. *Chairman.*] There is a project being carried into effect of reducing the interest upon the Indian debt from 5 to 4 per cent., is there not?—There is.

8268. Upon what amount of debt has that reduction been already made?—The first order applied to the transfer loan; as soon as the home authorities had the power, they wrote to the Government of India to desire that it should be immediately advertised for payment. The principal amounts to about 3,500,000 *l.* In 1834 the inetrest upon the transfer loan was reduced from six per cent. to five per cent., and it was conditioned with the holders that it should not be discharged till April 1854, and that 15 months' notice should be given of its discharge. When January 1853 arrived, the Government were desired immediately to advertise it, and they did so. A period was fixed within which the holders might transfer into a new loan, upon precisely the same terms as the old loan, with the exception of the rate of interest, which was to be reduced to four per cent., and the period for such transfer expires on the 22nd of this month. We

J. C. Melvill, Esq.

14 July 1853.

have already received applications for transfer to a large amount, and I have no doubt, with the exception of a few trustees who may be under certain legal difficulties, the whole amount will be transferred; in fact, the new stock is now at a premium.

8269. Do you mean that the whole of the principal upon which the reduction can take place is 3,500,000 *l.*?—Of that particular debt. Then the Government, seeing its way clear to the accomplishment of the reduction as respected the transfer loan, advertised three crores of their ordinary five per cent. debt for discharge, inviting the parties at the same time to subscribe the amount into a four per cent. loan. We have not received particulars of the result, but we know that when the last accounts left India the operation was already very successful, and there was no doubt of its being entirely accomplished. When that is done, the Government will, I presume, proceed with the same operation over the whole amount of their remaining five per cent. debt.

8270. Sir *T. H. Maddock.*] What is the amount of the Indian debt at five per cent. that is liable at any time to be paid off?—£. 25,513,000.

8271. That 25,513,000 *l.* is exclusive of the debt of the King of Oude, and other similar debts?—I believe it is.

8272. What is the present amount of cash balance in the treasury of India?—£. 14,250,000.

8273. Has not that great amount of cash balance facilitated the process of paying off the debt?—No doubt the surplus cash balance has been the lever with which the Government has operated upon the debt in view to a reduction of the rate of interest.

8274. Without that the Government of India could not continue the process of reduction?—They would run great risk of embarrassment.

8275. Mr. *Spooner.*] Is there any period fixed before which no further reduction can take place in the rate of interest?—There are conditions applicable to some portions of the five per cent. debt. The new transfer loan is not to be reduced for a further period of 20 years; but the other debt, which is in process of reduction, is liable to discharge upon three months' notice. The saving of interest, if all the five per cent. loans were converted into four per cent. loans, would be 255,000 *l.* a year.

8276. Sir *C. Wood.*] Have not authority and directions been given to the Governor-general to effect that purpose as rapidly as possible?—Yes; the Governor-general anticipated the orders of the Home authorities; but those orders went further than the Governor-general had done; they went to the extent of his advertising seven crores.

8277. *Chairman.*] In a previous answer you stated, that in calculating the military expenses in the Punjaub the expense of the additional force for police purposes was deducted from the revenue; has the same system been adopted in the territory of Scinde, and does that deficiency show more than the additional cost of military expenditure for police?—I think that most of the military charges of the troops employed in Scinde are stated in this account, though it is not so in the Punjaub.

8278. Why is a different system adopted in Scinde to that which is adopted in the Punjaub?—I have not sufficient information to enable me to state precisely the system adopted by the Government of Bombay in stating these accounts.

8279. In order that a fair estimate may be formed with regard to the Scinde territory, would not it be advisable to adopt the same system which is adopted in the Punjaub?—If you compare Scinde with the Punjaub, undoubtedly the accounts should be framed upon the same principle.

8280. Can you distinguish the expenses of the local corps from the ordinary military expenditure?—Not satisfactorily, without reference to Bombay.

8281. Mr. *Hardinge.*] Do the regular cavalry come under the head of military charges?—They do.

8282. Sir *T. H. Maddock.*] Does that item of military expenses include the allowances of the regular troops stationed there?—I cannot say positively.

8283. *Chairman.*] Will you explain to the Committee what were the grounds upon which the Government of India directed its receivers at the different treasuries not to receive gold coin in payment of the revenue?—The Government of India, after the establishment of the uniform currency, reserved to itself the right by proclamation to regulate the terms upon which gold was to be received at the public treasury.

8284. That

J. C. Melvill, Esq.

14 July 1853.

8284. That was in 1835?—It was. Finding that gold was coming largely into their treasury, under the proclamation, and that they had no means of re-issuing it, it not being a legal tender, the Government exercised its right and withdrew the permission.

8285. The permission was issued in 1841?—Yes.

8286. The change, making gold not a legal tender, occurred in 1835?—Yes.

8287. Will you give your view to the Committee as to the practical inconvenience or advantage which would arise from making gold a legal tender in India?—Silver is the standard of India, and I think it better suited to the transactions of the people, so minute are they, than gold would be. It is a matter of opinion, but I do not think, myself, that two standards could be maintained. If gold became depreciated, it would be used to buy up silver, and I think great distress would result to the people if that were to occur. I speak with diffidence on such a subject as this, but there are authorities on my side, and I have prepared a memorandum upon the subject, which, if the Committee please, I will deliver in.

[*The same was delivered in, and is as follows:*]

MEMORANDUM as to GOLD CURRENCY of INDIA.

IT is believed that gold and silver were coined in India before the time of Akbar. In Mr. Marsden's collection, there is a silver coin of Altmash, one of the Delhi kings, who died in 1235. Shir Shah (A. D. 1535) changed the name of tankha (the current coin at that time) to that of rupeia or rupee, which was adopted by Akbar on his accession in 1556. The first gold muhr* (vulgarly called mohur) recorded in history was struck by the latter prince in the year 1565. It contained about 172 grains of pure gold.

Akbar fixed the weight and relative value of money on a scale which remained unaltered till the dissolution of the Mogul empire, and is the basis of that now in use. His rupee contained 174.5 grains of pure silver, and was worth 1*s.* 11½*d.* of English money at that day, the shilling of Queen Elizabeth containing 88.8 grains of pure silver. Akbar's standard, as above stated, continued almost unaltered all over the Mogul dominions until the breaking up of the empire, when numerous mints were established by the ministers and viceroys of the principal soubahs who had assumed independence, and the coin was gradually debased as the confusion and exigencies of the times increased. The Mahratta and other Hindoo states also established mints of their own, retaining for form sake the Emperor's name and superscription, as a titular avowal of Delhi supremacy.

Hence may be traced the differences which prevailed and still prevail in the currencies of India. The extent to which the irregularities of the mints had proceeded in the reign of Shah Alum, is thus described in the preamble of Regulation 35 of 1773: "The principal districts in Bengal, Behar, and Orissa had each a distinct silver currency, consisting either of 19 sun Moorshedabadees, or old or counterfeit rupees of various years, coined previous or subsequent to the Company's administration. The only parties who benefited from such a state of things were the shroffs, and the East India Company endeavoured to remedy the evil in 1773, by declaring that all rupees coined for the future should bear the impression of the 19th year of Shah Alum; and thus it happened that the sicca rupee was the only one of their coins which retained the full value of the original Delhi rupee.

Sir James Stewart in his work† on the coins of Bengal observes, "The standard of the Bengal money has ever been silver. Gold has been occasionally coined, but the great bulk of the currency has been silver." A coinage of gold mohurs (worth intrinsically 11 ½ siccas or 13·34 current rupees, but declared to be equal to 14 sicca, or 16·24 current rupees), was established in Bengal by the consultation of Government held on the 2d June 1766, and this was the first occasion on which a gold coin in Bengal had been put on the footing of money with a legal denomination with respect to silver coins. It was made a legal tender in all payments; whereas the gold coins which had previously been struck at Delhi had passed only conventionally, being left to find their value in the market. This coinage of gold in 1766 was professedly undertaken with the view of giving encouragement to the bringing of gold to the Mint, and Sir J. Stewart remarks as follows: "The Government of Bengal did not consider that every encouragement, as it was called, given to gold coins, must occasion the melting down and exporting of the silver coin. The only encouragement it was possible to give to gold coins was to fix a denomination to the new gold coins above their due proportion to the silver currency, or in other words, to render the gold intrinsically worth less in payments than the silver currency, the consequence of which is, to engage every one to pay in gold rather than silver." The result which attended the gold coinage in question, is thus recorded by Sir J. Stewart: "Nobody in Bengal would pay willingly in silver rupees after the issuing of this gold currency, and it was the greatest oppression to force them to it. The people of that country (India) had been so long accustomed to silver coin, that they never would, except when forced to it, receive the mohurs in payment; so the Company was

* This word signifies "the impression of a seal."

† Published in 1772.

J. C. Melvill, Esq.

14 July 1853.

was obliged to make a new regulation in 1769, little better than the former. At last the gold currency fell altogether to many per cent. below its intrinsic value, according to the saying, Dum vitant stulti, vitia in contraria currunt."

The difficulty of keeping gold coin in circulation was so great, that in 1796 the Governor-general (Sir John Shore) recommended the adoption of silver as a sole legal tender; "first, because it had ever been deemed the standard of India; and, secondly, because looking to the lower classes, to the price of labour, and of the necessaries of life, the smallest possible gold coin was unfit for general circulation, and the cultivator or manufacturer who received it would be charged with a batta on the exchange or disbursement of it." In reply to this recommendation, the Court of Directors stated that there appeared to them to be a necessity for a new coinage, both of silver and gold. The views of the home authorities were not acted upon till 1819, when an approximation to uniformity of the coinages of the three presidencies was attempted; the gold mohur of Bengal, and the gold rupees (as they were called) of Madras and Bombay, being valued relatively to silver, in the same proportion of 1 to 15, and being declared legal tender in payments.

But the market-value of the gold mohurs then coined was considerably in excess of their denominative value; they were consequently but little used for the ordinary purpose of currency.

Gold, then, never obtained a very extensive currency, and had practically ceased to be legal tender in India for many years antecedent to 1835. By the resolution of the Government of India passing the Act No. 17 of 1835, it was declared, that although the new law would not give to the gold mohur, and its subdivisions, the character of legal tender, the Governor-general would, from time to time, fix (by proclamation) the rate at which they should be received and issued from public treasuries in lieu of silver. The rate then fixed was that given in the Act as the denominative value of the mohur and its subdivisions.

Some doubt appears, however, to have existed between 1835 and 1841, whether the gold coins would be received at the Government treasuries. The sub-treasurer at Calcutta hesitated to receive them. The proclamation of January 1841, authorising their free receipt in payment of Government demands at specified rates, was therefore issued, at the suggestion of the Mint Committee, with the double object of clearing up the doubts upon the subject, and of giving a more free circulation to the gold coins. But it does not appear that the deliveries of gold bullion to the Mint for coinage increased in consequence of the permission given by this proclamation, and the reason doubtless was, that after adding the one per cent. seignorage for the coinage, no profit would have resulted from the exchange of gold for silver. The case, however, is now entirely changed. The price of from 3 *l.* 6 *s.* to 3 *l.* 10 *s.* per oz., by which it is understood that gold has lately been purchased in Australia (although in itself no criterion of the ultimate fixed value of gold in relation to silver), affords, temporarily at least, a vast temptation to speculators to send it to India to obtain there silver in exchange, at the rates which were fixed by the Government at a time when the fresh discoveries of gold were not thought of. It was clearly the duty of the Government to take the measures which they have adopted, to save the State from loss on account of the operations of speculators.

The question, however, of the propriety of giving to gold the character of legal tender, to enable it to co-circulate with silver, is quite distinct from that just noticed. The following remarks may help, by analogy, to elucidate this question.

Silver was the standard of value in this country (England) till the year 1774, although gold coins passed current at certain fixed rates, and were legal tender. In 1774 it was declared by authority that silver coin should not be legal tender for sums above 25 *l.*; and in 1816 the present over-rated silver currency was introduced, being legal tender only to the extent of 40 *s.* Practically, however, all large payments were made in gold subsequently to the year 1717, when the guinea was over-valued by being declared equivalent to 21 *s.* The result of this measure was, that the new silver coins were exported, and that none but worn and debased coins remained in circulation. The silver was expelled by the gold, although for 57 years afterwards (from 1717 to 1774) silver was nominally a legal tender to any amount.

Again, the financial history of France affords an instance of a similar character. Previously to 1785, the Louis d'or was rated at 24 livres, when it was really worth 25 livres 10 sols. By making payment in gold, debtors would clearly have lost 1 livre 10 sol pieces on every 24 livres of liabilities. The result was that gold payments were not made, and that gold (although a legal tender) was nearly banished from circulation. Silver alone became practically the currency of France.

Recently in the United States of America, gold has been declared the sole standard of value; and the dollar piece has been simultaneous depreciated in the same way as the silver currency of England, for the purpose of retaining it in circulation. Otherwise it was foreseen that silver would altogether disappear.

The Government of Belgium, foreseeing the inconvenience likely to result both to the people and the Government, have abandoned the double standard which existed there up to last year, and have declared silver to be the sole standard of value. In France, where the double standard is still maintained by law, it is surmised that a revolution in an opposite direction to that which occurred in 1785 will ere long take place, and that silver will be gradually expelled by the gold. The recent enormous coinages of gold at the Mint of Paris justify this conviction.

Upon questions affecting the currency, however, one cannot write or speak with too much diffidence; yet why should it be supposed that the effects described above as having resulted

resulted in other countries would not be produced in India if the double standard (silver and gold) were to be now introduced? The case of the gold mohurs, to which it was attempted to give currency in 1766, at a higher than their natural value, as explained by Sir James Stewart, should be borne in mind as a case very much in point. It cannot be questioned that the natural tendency of the recent vast discoveries of gold, or rather of the increased facilities with which gold is produced, will be to deteriorate its value. This is the most probable effect, although at present there are no striking indications of it. Hence it may be assumed that any exact relative value now fixed as between gold and silver would be liable, at no distant period, to considerable variation. Supposing gold to be declared legal tender, all debts* will be discharged in it so soon as it becomes depreciated below its nominal value, and then silver will be exported for the purpose of buying gold. This will be the natural result so long as any undue irregularity of nominal value exists between the coins of the two metals, and the only remedy would be the inconvenient, expensive, and altogether objectionable one of changing either the size or denominative values of the coins from time to time. J. C. Melvill, Esq. 14 July 1853.

The effect, however, of a change from a silver to a gold standard in a rich country like England, where the transactions of the people are of a magnitude sufficiently great to maintain an extensive gold currency, differs materially from that which would result to the people of India. The monetary transactions of the latter are still (as they were during the Government of Sir John Shore) of the most minute description, requiring, for the most part, the lowest denominations of silver currency (the two and four-anna pieces), and even lower than these (the copper pyce and half-pyce pieces); the coin last mentioned (half-pyce) represents 1-128th of a rupee. It cannot be supposed that such a population could, to any extent, absorb a gold currency, if the value of gold should continue at any approximation to its present value; and unless (which the boldest man will scarcely affirm) the point has now been reached at which the relative values of gold and silver can safely be determined, it has been shown by the analogous cases of this country, France, and America, that the coin which is relatively the cheaper of the two will drive away the dearer.

We arrive, then, at the conclusion, that practically two standards of value cannot co-exist; and that although, in a wealthy country, comparatively little injury may result from the double standard, the effects in India would be most seriously felt by the masses of the population.

8288. You say that silver is the standard in India. Up to 1835, it was not the sole standard in India, was it?—The Government certainly allowed gold to be coined upon certain terms, and to be received at the public treasury; still I think, and I have so stated in that paper, that silver was practically the standard. Sir James Stewart, who wrote upon the subject, and who was a great authority in bye-gone times upon these questions in India, declares positively that it was so, and he traces it back to the time of Akbar.

8289. The proportion that was established of 15 to 1, would surely prevent, under all present appearances, any practical inconvenience arising from the establishment of a double standard on that relative proportion, would not it?—It might; but if the proportions were so regulated as to give an undue value to gold over the silver, the effect would be not to make it a standard at all.

8290. Is not that the proportion in existence?—The Government of India reserved to themselves the power of regulating the proportion; that was the proportion that was fixed.

8291. Under that proportion, do you anticipate that gold would come into India and buy up silver?—It was coming in very rapidly from Australia when the Government issued its proclamation.

8292. Are you aware what the prices of gold then was in Australia?—I am.

8293. What was it?—Less than 3 *l.* an ounce.

8294. Are you aware what the price is by the last advices?—£. 3. 17.

8295 Though there may be for a time a low price on the introduction of gold, would not the price be regulated by the price in this country, and may we not therefore suppose that that low price in India could not be a permanently low price?—There must be constant fluctuations in the absolute and relative value of of the metals, and whenever the one becomes depreciated, it must, I think, have the effect of displacing the other.

8296. The effect which you might apprehend, when the price of gold in Australia was 60 *s.* an ounce, would not occur when it was 77 *s.*, would it?—No. The Committee will observe, that the Government had no power to re-issue the gold. Gold had ceased to be a legal tender, and under such circumstances the Government

* The position of the debtor and creditor classes generally, and especially of the Indian Government in relation to its debt, is deserving of serious consideration on this part of the subject.

J. C. Melvill, Esq.

14 July 1853.

Goverment would have had no alternative but to send it home in bulk to England, or sell it in the market.

8297. In a country where, as you say, it is very difficult to transport money, or make remittances from one place to another, would not it be desirable to make a legal tender of the more precious and more easily portable metal?—There would be a convenience in it in that respect; but I do not think it would countervail the risk of injury to the people.

8298. In what way would the injury be occasioned?—I think that gold might become depreciated, and might be used for the purpose of abstracting silver; and silver is the metal which is most suited to the transactions of the people.

8299. Sir *C. Wood.*] Would gold be as available for the ordinary payments which the Government has to make as silver?—If the Government declared it to be a legal tender.

8300. *Chairman.*] For remittance to this country gold would be preferable, if resort must be had to a remittance in specie?—Yes; and there can be no doubt that the exchanges are more easily adjusted between two countries having the same standard than between countries having different standards.

8301. The whole question depends upon the proportion established between the two precious metals, does not it?—It does; but there would be an inconvenience in changing that proportion frequently.

8302. Sir *C. Wood.*] Would gold be as available for the payment of the troops as silver?—I think not; the native soldiery could not be paid in gold.

8303. *Chairman.*] An objection has been made to the establishment of gold as a legal tender, that it would be unfair towards the recipients of the dividends on the debt; with respect to the debt created previous to 1835, that objection could not be made, could it?—I think not, because gold was receivable at the public treasury when those loans were negotiated.

8304. Sir *T. H. Maddock.*] Did the Governor-general put on record any minute explanatory of his reasons for the proclamation to which you have referred?—I think not.

8305. Did he explain his reasons in any despatch?—There was a despatch from the Government to the Court, and a despatch from the Court in answer, approving of what the Government had done.

8306. Can those documents be produced in evidence?—They can, if the Committee are pleased to call for them.

8307. Mr. *Hardinge.*] In the statement that has been referred to of military charges, is the expense of the regular Bombay regiments employed in Scinde included?—The expenses of the regiments employed in Scinde are included in the military charges of the Bombay Government, but to what extent they are included in the Scinde charges I am unable to say positively.

8308. Was there any increase to the number of the Bombay regiments in consequence of the annexation of Scinde?—There was an increase in the Bombay army.

8309. Do you agree with a previous witness that a greatly diminished military force may be maintained in consequence of there being now no organized elements of resistance?—I should be sorry to state that, unless it were supported by the opinion of the Indian Government, which it is not.

8310. Have not military witnesses examined before this Committee given it as their opinion that the army could not safely be reduced?—They have; and Lord Dalhousie has asked for an increase in the European establishment.

8311. Do the papers referred to give the comparative expense of the Company's European regiments and the Queen's regiments?—That has been given in the military evidence.

George Gordon Macpherson, Esq., called in; and Examined.

G. G. Macpherson Esq.

8312. *Chairman.*] I BELIEVE you have been appointed the representative of the British Indian Association in this country, which association has presented a petition to the House, which has been referred to the Committee?—Yes, I have.

8313. I believe you are desirous of making some statements in confirmation of what is contained in that petition?—I am. I went out to India in the Bengal medical service. I remained there consecutively for 21 years, during which time I served with Her Majesty's European troops, the Bengal native cavalry, infantry,

infantry, and artillery. I was then removed to the civil station of Beauleah. While there I carried on indigo works and a silk business. At that time the Government of India traded largely, in fact they almost monopolised the whole of the silk business of the country; but I was allowed, as a civil surgeon, to trade also in any of the products of the country. After being there for some years, and upon my promotion, I was removed to the civil station of Moorshedabad, and a few years afterwards the Company's trade was stopped, when I became a purchaser of some of their filatures, at public auction in Calcutta. I returned to England in 1840, and went back again to Bengal in 1845, when I became a member of the firm of Carr, Tagore & Co. I remained there for two years, and returned early in 1847, since which I have been in Europe. I mention thus particularly what my avocations in India were in order that the Committee may be able to put questions to me upon such matters as from practical experience it may be supposed I have become acquainted with. During my long residence in that country; and from being employed as a professional man, and also having commercial business, I had many opportunities of becoming intimately acquainted with members of all the services, and also with the native community, from the Nawab of Bengal down to the humblest silk-spinner. In the 3d and 4th paragraphs of the petition of the British Indian Association, the natives complain of being allowed only to hold the most subordinate offices, and that the evidence likely to be obtained before the Committee will be from persons more or less interested in the maintenance of the present system. Paragraph No. 10 relates to what is of great importance to the natives of India at the present moment, the constitution of a Legislative Council, which they consider ought to be distinct from the Executive. Sections 11, 12, and 13, I also consider to be very important.

G. G. Macpherson, Esq.

14 July 1853.

8314. You concur in the opinions which are expressed in this petition?—In almost all of them.

8315. Will you state any points in which you differ from them?—I do not think there are any statements of any importance from which I differ.

8316. Can you explain to the Committee by whom the petition was drawn up?—By natives of Bengal exclusively. The British Indian Association is exclusively native.

8317. Sir *T. H. Maddock.*] Will you describe to the Committee who are the persons whose names are first in this paper; Raja Radhakand Badadar, Raja Kalikrishna Bahadar, Pertaub Chunda Singh?—They are zemindars, supposed to be men of very large fortune, in Bengal.

8318. Are they persons of education?—They are.

8319. Are they persons of enlightened minds?—I should say they were.

8320. Can you state what number of people in the Mofussil signed that petition, as compared with the number of resident natives in Calcutta?—I cannot do that; but I should suppose there must be about the same number of signatures from the Mofussil and from Calcutta.

8321. How many signatures are there to this petition?—I think 5,900.

8322. To what portions of the petirion do you wish particularly to point the attention of the Committee?—I should wish to point the attention of the Committee particularly to the constitution of the Legislative Council, to the very inadequate state of the police, and to the resumption laws.

8323. With regard to the Legislative Council, what arguments have you to adduce in favour of the plan suggested by the petitioners?—I consider that the natives of India ought to be eligible as members of the Legislative Council; as far as they have been trusted they have shown themselves admirably qualified either for judicial or revenue offices; I conceive that if they are debarred from entering the Legislative Council, it will be considered a very serious hardship: and natives of India are particularly anxious to be represented in that Council, and it would appear only fair that they should be, considering that they pay the whole of the revenue and taxes of the country.

8324. *Chairman.*] The petitioners explain their views as to the construction of the Government at home; have you anything to state which would illustrate or corroborate those views?—No, I do not think it is necessary for me to go into that subject now. The Bill which is now being discussed in Parliament is to settle the form of the Home Government.

8325. Do you consider that in the views of the petitioners it will be regarded as a satisfactory settlement?—I do not think there will be any great objections,

G. G. Macpherson, Esq.

14 July 1853.

on the part of the petitioners, to the proposed constitution of the Court of Directors.

8326. Mr. *Vernon Smith*.] The present Bill is not what the petitioners ask for?—It is not what they ask for.

8327. They ask for a Council, half nominated by the Crown and half elected by a new body of constituents, altogether superseding the mixed government of the Court of Directors and the Board of Control?—I conceive they would rather retain the Board of Control than the Court of Directors; but they think it impossible that the Board of Control should possess sufficient information, and therefore they have proposed a Board of Management, composed of gentlemen well acquainted with Indian affairs.

8328. Mr. *Ellice*.] They propose also that the Legislature in India, in whatever manner it should be constituted, should have more of a popular character; in what way would they propose to give it a more popular character?—In the first place, they think that a Legislative Council should be established, and that the natives of the country should form a part of that Council.

8329. By the expression "popular character," is it intended that that Council should be named by the Crown, or by the authorities in India, or that there should be the means of election by the natives introduced?—I should propose that there should be certain parties nominated by the Crown for the Legislative Council, and that the remainder should be appointed by the Government of India, but that it should be open to all parties.

8330. That is the only sense, then, in which the petitioners mean to give a more popular character to the Council of India?—They may have meant, and at one time I believe they were anxious, that persons should be appointed to the Legislative Council in the same mode as they are in our colonies.

8331. Solely by the nomination of the Crown, or authorities delegated by the Crown?—Yes.

8332. Mr. *Hardinge*.] How many natives is it proposed to have in the Council?—The petitioners propose that there should be three.

8333. Are you of opinion that three natives in the Legislative Council would represent the feelings and sentiments of the whole native community at large?—I do not conceive that they would represent the feelings of the natives at large, but I think they would be of very great use in the Legislative Council. The other members of that Council might obtain a great deal of information from them, which they could otherwise by no possibility obtain. There are very many things relating to their religion and prejudices with which the other members by that means would become acquainted, which they might not otherwise be aware of in forming rules and regulations.

8334. Cannot they obtain that information now?—I think it is very difficult indeed to do so; I have heard it stated in evidence here, that there would be no difficulty in obtaining information from the natives by any member of the Legislative Council who thought proper to apply to them. Now I think the same witness states, in another part of his evidence, that it is an extremely difficult thing to ascertain from a native what his views may be upon any subject, till he has ascertained what the view and intention of the party questioning him may be, particularly if that party happens to be a person in power. I therefore conceive it must be a very difficult thing to obtain information upon all nice points, a knowledge of which appears to me absolutely necessary; and I also conceive that the information thus obtained must be of a description that very few men would like to legislate on.

8335. Does not the publication of the drafts of Acts enable them to meet together, and give their opinions before such Acts are passed?—It does; they do give their opinions and make remonstrances, but they are not attended to; I mean that they produce no effect.

8336. Do you make that assertion generally, or with respect to any particular Act?—I would refer to one particular Act; Act 21, of 1850; the natives are much alarmed at this Act, which they consider violates the express rules of the Hindoo law, by allowing persons excluded from caste, whether on account of immoral or infamous conduct, or change of religion, to inherit ancestral property.

8337. *Chairman*.] Do you concur in that view?—I do.

8338. Mr. *Hardinge*.] Do you conceive that a native in the Council would be

be looked upon with any jealousy by his fellow countrymen?—I cannot conceive anything of the sort. *G. G. Macpherson, Esq.*

14 July 1853.

8339. Sir *T. H. Maddock.*] Are you of opinion that if three or four native gentlemen were appointed as members of this Legislative Council, they would exercise much or any influence upon the deliberations of the Council collectively?—I am very sure that they would exercise a great deal of influence, and that they would, in all probability, frequently give such reasons to parties who were more violent than themselves as would induce them to withdraw a great deal of opposition which otherwise would be given to any proposed enactment.

8340. *Chairman.*] Supposing three to be the number, from what parts of India would you recommend their selection?—I would select them from Bengal, Madras, and Bombay.

8341. Would those three persons represent the feelings, and the creeds, and the opinions of all the natives throughout our empire?—To a certain extent they would; and I think it would be highly gratifying to the natives to find that they were considered eligible for situations of very great trust.

8342. Mr. *Mangles.*] Do you think it would be gratifying to a Mahomedan, of the North-western Provinces, if a Hindoo of Bengal was put into the Legislative Council?—I think it is very probable it might not be gratifying to him, but I do not think he would object to it.

8343. Would he feel any particular gratification?—That is a question I am not able to answer.

8344. Do you think, generally, the people of the North-western Provinces would feel themselves to be represented in any manner by a native of Bengal?—I might qualify my first answer by advising that there should be a member of the Legislative Council from the North-western Provinces, which would render it necessary to have four.

8345. Even with four members, looking to the size of those provinces, and the great difference of religion and customs which exist, would that number afford any adequate representation?—I think it would; at all events it would enable the members comprising the Legislative Council to ascertain, in a great measure, what the views and feelings of the natives were upon various minute points of which they must otherwise be ignorant.

8346. Are not the members of the Legislative Council almost invariably, if not invariably, men of great and varied experience in the different branches of the service, and who, in those subordinate situations which they previously held, have been in the habit of holding close and familiar intercourse with the natives, and have become very well acquainted with their opinions and feelings?—I am not aware that there has been any Legislative Council hitherto separated from the Executive, and that is one of the great objections which is entertained.

8347. Are not the men who form the Executive Council, and who also form the Legislative Council, men of great and extended experience and knowledge of the natives?—Most decidedly they are.

8348. Are they altogether devoid of the means of knowing what the native opinions are; have not they passed a great part of their lives in close communion with the natives, and would it add much to their stock of knowledge to have a native colleague by their side for the short period they sit in the Legislative Council?—I conceive, as I said before, that it would be of very great importance, even to those gentlemen, whatever may have been the amount of their experience in India, that they should have the assistance of natives while deliberating upon the laws which are to be enacted for the natives of that country.

8349. You speak of natives having shown aptitude in judicial and revenue business, and you seem to consider that as a test of their qualification for legislative duties; do you think it necessarily follows that a man who has shown ability as a deputy collector or a sudder aineen must be qualified for the post of a legislator?—Very far from it. But I would beg to state that I gave that opinion of the natives only as far as they have been tried: they have not been tried in any very important office, and I conceive that it would only be fair that they should have an opportunity of showing whether they are or are not entitled to be trusted.

8350. I understood you to say that the aptitude they have shown for revenue and judicial offices would prove that they are qualified to be legislators?—I would not argue from that that they were necessarily well qualified as legislators,

G. G. Macpherson, Esq.

14 July 1853.

lators, any more than I would argue that a gentleman who had performed the duties of postmaster-general in Calcutta, should be considered qualified to sit on the judicial bench.

8351. Do you suppose, if those native gentlemen of whom you speak had been colleagues of Lord William Bentinck in the Legislative Council, they would have agreed in the abolition of the suttee, for example?—That is a question which it is very difficult to answer; I cannot state what the natives would have done 20 years ago; but I do not think it is altogether fair to judge of them by what they might have thought or done 20 years ago, when they were uneducated, compared with what they are at present. I cannot tell what they might have done at that time; but my belief, is that now there are no men likely to be appointed to the Legislative Council, who would object to doing away with suttee, or any other cruel or barbarous rite.

8352. Do I rightly understand you that you agree with the petitioners as to the injustice of the law which entitles a convert from the Hindoo religion to any other religion to succeed to his patrimonial property?—All the laws of India have been very strong on the point of doing nothing that would interfere with the religion or prejudices of the people of the country. I think that the last charter alludes to that very particularly. Consequently the natives did not expect that a law would be enacted which decidedly interfered with their religion, prejudices, and laws.

8353. Do you think it consistent with justice that a man should be subject to any disqualification or penalty whatever for a conscientious change in his religious belief?—Taking the view of an Englishman, I do not think so; but I am speaking now of the Mahomedans and Hindoos of India.

8354. Is it possible that there should be two views of what is just; is not justice inflexible?—We may have very strong views as to our own correctness of conduct, from the opinions we entertain on religious matters. I would certainly allow the same to a Hindoo or a Mahomedan. We may suppose we are acting very honestly and very consistently with our religion in putting a stop to any law which prevents converts to our religion; for that appears to have been the intention of this Act, 21 of 1850. It would appear to have been done at the instigation of the missionaries, who addressed the Governor-general on the subject when he was absent from Calcutta.

8355. To put the case in a strong point of view, do you think it would be just to deprive an Englishman of any rights which he might possess because he embraced the Mahomedan religion?—I do not.

8356. Then how can you think it right in this instance, without any reference to whether the man goes from error to truth or from truth to error, to deprive him of any rights he might possess on account of a change in his religious belief?—I do not see that we have any right to do wrong that good may come.

8357. The question is, whether it is doing wrong?—If it has been always understood, as it has been by the natives of India, that their religion is not to be interfered with, and if the British Legislature has considered it necessary to lay down this principle very particularly, I think, without the sanction of the Legislature, no interference should take place.

8358. *Chairman.*] The opinion which is stated in the petition you believe to be the general opinion entertained by the natives of India?—I do, decidedly.

8359. Sir *T. H. Maddock.*] With regard to that law, Act 21 of 1850; supposing reasons could have been assigned which would have been satisfactory to the people of India for the passing of such an Act, would not it have been more fitting that that Act should not have come into operation with respect to persons then entitled to any particular rights?—I think there can be no doubt upon that subject.

8360. Upon the subject of the admission of natives into the Legislative Council of India, admitting, for the sake of argument, that the influence which they would exercise upon the Council collectively would not be so great as you suppose; admitting also that those native members would not fully represent the feelings or prejudices of the different races of men in India; still, are you of opinion that the general legislation would be far more satisfactory to the bulk of the people of India if there were native members of the Legislative Council?—My opinion is very decided upon that subject, viz., that the whole of the natives of

of India would be pleased that there should be some member belonging to the native community in the Legislative Council. *G. G. Macpherson, Esq.*

8361. Whether the introduction of a number of natives into the Legislative Council would be a benefit or not, are you aware of any disadvantage which attend it?—I cannot possibly think of any disadvantage; there would only be a small number; I conceive that there could be no disadvantage whatever; even if they showed any determination of resisting the views and wishes of their fellow members, they would always be outvoted. 14 July 1853.

8362. In case Parliament should not attend to this application of your constituents, and should not sanction the appointment of any natives to the Legislative Council, what course would you suggest by which the natives might obtain redress in case of injury done to them by the Legislature of India, or what mode of presenting remonstrances to some superior authority would there be in such a case?—I am aware of no mode that they could adopt, except petitioning Parliament. It appears to me to be altogether throwing away time to petition the Government in India against what they have done; they have never been known to undo any orders which they may have passed. The only course which appears to me to be open to the natives is that which I have stated.

8363. Then you consider it much wiser to prevent that legislation beforehand than to rely upon a relief from it afterwards?—Most assuredly; and also to prevent agitation in the country.

8364. Mr. *Hardinge.*] Do you know any native at this moment who would be properly qualified to take his seat in the Council?—I think I know two or three. It is some time since I left India, but from my knowledge of men then, I should say there are two or three of my acquaintance, which of course is now very limited, who would be so qualified.

8365. *Chairman.*] Will you point out to the Committee any particular clause in the petition which you think it important to refer to, and state your own views upon it?—The constitution of the civil service is a very important subject.

8366. Mr. *Spooner.*] Do you fully concur in what is stated in the petition upon that subject?—I do.

8367. *Chairman.*] And in the remedies which are proposed?—And in the remedies which are proposed.

8368. You think the institution at Haileybury should be broken up?—Yes, and that the civil service should be open to competition on the part of Europeans and natives; in fact, to all the world.

8369. I observe in the petition there is an objection raised to the age of those who are employed in the exercise of judicial functions; no limit is stated as to age. Can you recommend any particular limit?—From my own experience and knowledge, I should say that this is a point of the utmost importance. I have seen boys (when I say boys, I mean persons under 20) put into charge of some of the largest districts of Bengal.

8370. In what capacity?—As magistrates. I have sometimes known them even appointed as judges to conduct the current business of the office; that was only a temporary arrangement, in consequence of the absence of the judge from sickness or upon business. I conceive the nomination of such young men, without any test as to their qualification, is one of the most crying evils connected with the country.

8371. Is there any previous examination?—At the time I am speaking of there was only the slight examination necessary to enable them to pass the College at Calcutta, which merely ascertained that they possessed certain proficiency in two native languages.

8372. Are you aware that the system has been considerably changed since that period?—I am aware that there has been a very recent change, which I highly approve of; and I am certain that my constituents cannot fail to approve most highly of the tests which are now instituted, before admitting young men to assume such very serious responsibilities.

8373. At what age should you think a European fit to exercise in India the functions of a magistrate or collector?—I should say it very much depends upon the ability of the person; if a very able man, I should think after eight years' service he might be entrusted with the appointment of a magistrate.

8374. That would be the remedy which you would recommend for what the petitioners consider to be an evil, that no person should be appointed as a magistrate

G. G. Macpherson, Esq.

14 July 1853.

trate till he had been eight years in India?—I do not consider that the only remedy which is necessary; it is one of them.

8375. Sir *J. W. Hogg.*] Have you ever known a gentleman put in entire charge of a district, as judge or magistrate, before he had been three years in the service?—Yes, I think I have known instances; when I say in the service, I mean from the time he has left college.

8376. What is the appointment which a gentleman gets in the civil service upon leaving college?—They used formerly to get the appointment of assistant to a magistrate or judge, and, indeed, they now get those appointments; they are placed there for a short time, and, according to the exigencies of the service, they are either kept there or removed.

8377. Do you remember any instances of a gentleman being put in charge of a district before he had been three years in India?—Never permanently appointed,

8378. Then, perhaps you speak of a casualty occurring, in consequence of the absence of a superior officer, when a person has been appointed to discharge his duty for a short time during his absence?—I am speaking of such a case.

8379. You are merely speaking of a man casually discharging the duty for a short time, in consequence of the absence of his superior?—I am; but at the same time, I beg to state that I do not think any such casualty should exist in a well-regulated country. There ought always to be some person of sufficient standing to undertake duties of such amazing importance as that of a magistrate in a district extending perhaps for 120 miles.

8380. Are you aware of the age at which young men can go to Haileybury?—I believe it is either 16 or 18.

8381. It is 17. Being 17, as they must be two years at Haileybury, and are allowed some time after leaving Haileybury before proceeding to India, and as they must pass in two languages before they can enter at all upon the discharge of any duty, do you think it is possible that what you have stated to the Committee can be correct, that a young man under the age of 20 has been in charge of an entire district?—I thought the age for admission to Haileybury was 16; I may have made a mistake in saying that he was under the age of 20, but it certainly was a very young man, who had only been for a very short time in the country, and consequently could know very little of the important duties which were assigned to him.

8382. By speaking of him as under 20, you merely meant to express to the Committee that he was a young man?—Yes.

8383. Mr. *Mangles.*] How long have the rules of examination of which you speak been in force?—I think only within the last two years.

8384. Having been in force within the last two years, and a part of those rules being that civil servants cannot obtain certain gradations in advancement till they have passed the first and second examination after they have been in the Mofussil, how is it that, consistent with the statement here, which must have been written since those rules were adopted, that "they are posted to important offices at an extremely early age, without the certainty, without even a reasonable probability, of their possessing the requisite qualifications"?—Those examinations have just commenced.

8385. You will see that this is written in the present tense, and not as referring to a past state of things?—This petition must be considered as a complaint of the mode in which things have been done for the last 20 years.

8386. Then it is a complaint of grievances which have ceased to exist?—They have not ceased to exist; I suspect there are very few of those gentlemen who have passed their last examinations, who are now performing public duties.

8387. The rule is, that they cannot succeed to certain offices till they have passed one or both of those examinations; no man can be a magistrate, for example, under the rules, till he has passed the second examination; how is that fact consistent with this statement?—That is a law which has been very recently enacted, and in all probability it may have been enacted knowing that all matters connected with the detail of Indian business might come before Parliament at the present moment. If it has been found necessary now to make those laws as to qualification, the same reasons surely must have existed long ago.

8388. Does not it appear that the complaint is brought forward after the grievance has ceased to exist?—The Government may have instituted those tests of

G. G. Macpherson, Esq.

14 July 1853.

of qualification, but it has not had an opportunity of judging of the result of them.

8389. The petitioners do not state that they have not had an opportunity of judging how far these tests have remedied the grievance, but they state, on the other hand, that the grievance still exists, without making any reference to the tests, or any allusion to any endeavour made by the Government to remedy the state of things of which they complain?—I am not at all surprised that they should speak very strongly of the hardships which they have endured from the mode in which justice has been administered in India. I am myself a witness as to what the natives and what sometimes Europeans have suffered in the interior, from the mode in which the business has been conducted. I may mention a case of my own. I became a purchaser of Rangamutty, within 14 miles of Moorshedabad, one of the principal fillatures belonging to the Company. I purchased it at public auction in Calcutta in 1835. This residency had a certain amount of land attached to it, on which a certain rent of about 1,200 rupees a year was to be paid. On purchasing that property, of course I supposed that I was purchasing whatever rights the Government possessed in their commercial capacity, and that they were transferred to me as purchaser of the property. A very few months after I had paid for the property, I was informed that the collector had resumed more than half of the land, and alienated it from me. Though I had seen a great many very despotic actions done by men in power, I could scarcely believe that this could be carried out; but I issued orders to my people to resist the removal of the crops. The collector who assessed the land, happened at the same time to be the magistrate, and in his capacity as magistrate, he put my people into prison. I had no information or notice of any description given to me till this occurred. I remonstrated with the collector and with the commissioner; and for five years the question was sent from one collector to another, and from one commissioner to another. I think there were three collectors and three commissioners. Just before my departure from the country, I requested an audience of Lord Auckland, the Governor-General, and I stated to him this grievance; and I also stated to his Lordship that if it required five years for a European to obtain any redress for a grievance of this nature, it must require a great deal longer for a native. The case was not brought to a close even when I left the country. By a calculation of one of the collectors, it was supposed that my loss, from being deprived of those lands, must have amounted to upwards of 40,000 rupees. I proposed that if 10,000 rupees were given to me, and all further litigation and inquiry ceased, I would be willing to take that amount. Three months after I left the country, the amount was paid to my agents.

8390. *Chairman.*] When did this occur?—This occurred in 1835; and in 1840 I received the compensation.

8391. Mr. *Mangles.*] Do not you think that this difficulty might have been avoided if you had not ordered your servants to resist the authority of the officers, but in the first instance had instituted an appeal from the proceedings of the collector?—I was not aware of any authority by which I could be deprived of that which I had purchased from the Government. I could not conceive that a Government officer could be authorised, in his position of a revenue officer, to deprive me of that which I had purchased from the Government in their commercial capacity.

8392. Did you never hear in this country of a dispute between two individuals as to the specifications of a sale, whether it did or did not include certain articles?—I have heard of such disputes, but I very strongly suspect if any gentleman were to purchase property, and had that property delivered over to him, and then found it was alienated from him, he would resist the removal of the crops until it was ascertained whether the party had a right to pass such an order.

8393. Forcibly?—Yes, I think I should do so forcibly.

8394. *Chairman.*] Will you state the name of the Government officer of whom you complain?—I am unwilling to mention any name. The Government officer was the collector and magistrate, Mr. Robert Torrens; he was a friend of my own.

8395. Sir *J. W. Hogg.*] You appealed from this collector's decision to the commissioner?—Yes.

G. G. *Macpherson*, Esq.

14 July 1853.

8396. Was the decision of the commissioner adverse to your claim also?—The commissioner was Mr. Welby Jackson; he at last reported to the Board of Revenue what he considered I was entitled to. He, by some calculation, which neither I nor any person to whom I submitted the letter could ever comprehend, stated that he thought I was entitled to about 700 rupees for having been dispossessed of this land.

8397. Mr. *Mangles*.] Were you to have the land back?—No, I never had the land back.

8398. Sir *J. W. Hogg*.] The collector and the commissioner were both of opinion that, under the terms of the sale, you were not entitled to the land, whether that opinion was right or wrong?—It was not the opinion of all the commissioners; I mentioned that there were three.

8399. It was the opinion of those two gentlemen you have mentioned; Mr. Torrens and Mr Welby Jackson were of opinion that, under the terms of the sale, you were not entitled to the possession of that land which you claimed?—I suppose Mr. Torrens was of opinion that I was not entitled to it, or he would not have deprived me of it.

8400. And Mr. Welby Jackson confirmed that opinion?—He did so far; but I should mention, that shortly after I was deprived of this land, the collector, Mr. Torrens, was removed, and another collector, Mr. Pierce Taylor, was desired to investigate the matter. Mr. Taylor conceived that I was entitled to a very large amount. Mr. Jackson, the commissioner, did not think so, and he reported to the Board of Revenue that he thought 700 rupees, or thereabouts, would be sufficient to recompense me for any loss I might have sustained. I remonstrated to the Board of Revenue against this.

8401. Did the Board of Revenue confirm the decision of Mr. Welby Jackson?—The Board of Revenue did not confirm the decision of Mr. Welby Jackson; it objected to the decision, and I believe I entirely owe that to a gentleman who had acted as a commissioner for some time, at Moorshadabad, Mr. Lowis, one of the most able officers who has ever been in India in the Revenue Department; he was aware of the facts of the case, therefore it was very particularly inquired into.

8402. What was the decision of the Board of Revenue?—The Board of Revenue remonstrated with the commissioner, and showed, I believe, the fallacy of his reasoning. After this the Board of Revenue proposed that I should be paid 6,000 rupees, and not 700 rupees. My answer was, that if I was not entitled to all I asked, I could not be entitled to anything, because it had been shown that my losses were a great deal more than the amount which I applied for. Without any further investigation, so far as I am aware, the Governor-general, Lord Auckland, considered it was a case of very great injustice, and he awarded 10,000 rupees, the full amount claimed by me.

8403. Mr. Welby Jackson, I believe, is now a judge of the Sudder Court, the highest court in the country?—He is.

8404. Neither the Governor-General nor the Board of Revenue, nor any other authority, declared you were entitled to the land, nor gave it to you?—The land remained in the hands of the ryots, to whom it was given by the collector, and, as far as I am aware, remains with them at the present day. I have mentioned this case merely incidentally, and to show the impropriety of joining the appointments of magistrate and collector.

8405. Mr. *Mangles*.] Why did not you prosecute the Government, or the Government officer, in the courts of law?—I have had much experience of suits in the native courts, as an indigo-planter and as a commercial man, and I confess I was always particularly anxious to avoid them.

8406. Sir *J. W. Hogg*.] You said that Mr. Torrens, the collector, who was of opinion that you were not entitled to the land, was a personal friend of your own?—He was.

8407. Whatever mistake in judgment he may have made, must have been a purely conscientious mistake?—That is very possible.

8408. He was a clever man, was not he?—I should say so.

8409. And Mr. Welby Jackson, I believe, was a very superior man; a man standing very high in the service, both in point of talents and acquaintance with the usages of the country, judicial and revenue?—I think so.

8410. Sir

8410. Sir *T. H. Maddock.*] I observe that the petitioners are favourable to a union of the Sudder and Supreme Courts; is that the case?—That is the feeling of the natives of Bengal, to a great extent. *G. G. Macpherson, Esq.* 14 July 1853.

8411. Supposing that this union takes place, do they contemplate that justice shall be administered in this amalgamated court in the Company's name, or in the name of the Queen?—Really I do not think they have given that sufficient consideration.

8412. One of the judges would be a Queen's judge, would he not?—Yes, or two perhaps.

8413. In whose name would he administer justice?—That is a question which I do not understand; I do not understand how the amalgamated court could work.

8414. Have you any suggestions to make on behalf of the petitioners with regard to the police and the magistracy, with which they seem to be very much dissatisfied?—They are extremely dissatisfied with the police and the magistracy. I think all the evidence which has been obtained before this Committee, amounts to this, that the police was in a fearful state when the Company assumed the charge of the country, and it is not much better now.

8415. *Chairman.*] Do you wish to state any views beyond those which are set forth in the petition as to the improvement which it is desirable to make in the police?—The petitioners state various alterations which they consider would be improvements, and it appears absolutely necessary that something should be done. It appears by a return made to Parliament, that the whole amount of expenditure for the police is little more than ten lacs of rupees per annum in Bengal. The reason assigned for the inefficiency of the police is the want of means; that the Government have not had sufficient means to apply to the improvement of the police. It strikes me that this is a very inadequate reason for the Government to assign after having had the country so long in its possession; and whatever means it may have possessed, or whatever claims there may have been upon those means (and I know they have been very great from wars and other circumstances which the Government could not foresee, and for which they may not be responsible), still, I conceive one of the first duties of the Government was to see that a sufficient amount was placed aside to render the police efficient. We know that dacoitees and gang robberies are of daily occurrence. I know that for one dacoitee which is reported 50 occur, and the more active and intelligent a magistrate may be, the greater amount of crimes will always appear in his reports. Everything is not reported to a bad magistrate. Some magistrates assume the power of punishing the darogahs and other police officers in the severest manner, because they cannot lay hold immediately of the perpetrators of crime; and of course, if the man knows that he will be severely punished under such circumstances, he will not report a crime. The zemindars again are severely punished because they do not report crimes committed on their own estates. Now it is very possible that some of those things may occur without the zemindars being at all aware of them, and it has frequently occurred that men have been fined who have not been at all near the place where the crime has been stated to have been committed.

8416. Do you consider that the statement of the case here is correct, and that the remedies suggested are those which are most desirable to be introduced?—Yes, I do.

8417. Sir *T. H. Maddock.*] With regard to works of public utility, are there any suggestions which you have to offer, in addition to the general complaint which is contained in the petition?—The natives complain, and it is a grievance which has been long felt in India, of the want of roads. There is only one large trunk road at present of any very great importance in India. They also complain bitterly of the great delay which has taken place in the introduction of railways.

8418. Is a part of their complaint to this effect, that there are considerable surplus ferry funds, and that there are considerable canal revenues in the Government Treasury, which the Government ought to apply to works of public utility?—Yes; that has been long considered a very great hardship, that the amounts derived from those ferries are not employed for rendering the rivers navigable, which do not appear to have become more navigable since the ferries were placed

G. G. Macpherson, Esq.

14 July 1853.

placed there; they also complain bitterly of the money which has been received from those ferries not being applied to local improvements.

8419. A great number of the petitioners are men of large landed property and wealth?—They are.

8420. There is a railway now being formed in Bengal, is there not?—There is.

8421. In which a capital of one or two crores of rupees is invested?—Yes.

8422. Are you aware whether any of your constituents, the petitioners, have advanced a large portion of their superfluous wealth towards those undertakings?—I am not aware what amount they may have advanced for such an undertaking, but I am aware that a good many shares were taken by natives in 1846, when a railway was proposed from Calcutta to Rajmahal, by a company called the Great Western of Bengal. This line was stated by various parties to be altogether impracticable. A paper, called "The Friend of India," considered it was madness to attempt anything of that sort, and would hear of nothing but a railway which was to start from Calcutta and to run direct to Mirzapore. According to the sketch given, that line of railway would have run away completely from all the productive part of the country. Various parties showed, and all the natives of India were perfectly aware, that it was impossible that such a railway could pay, consequently very few applied for shares in that railway, but there were a great many who applied for shares in the railway which was to connect Calcutta with the Ganges.

8423. A number of the petitioners are zemindars, possessing extensive tracts of territory, are they not?—Yes, they are.

8424. Do they make any roads in their own territories?—There are roads. Those parties who have very large zemindaries insist very frequently upon their ryots keeping up a certain line of road.

8425. If the Supreme Government of the country maintains efficiently all the great trunk lines of road, are you of opinion that those great zemindars ought not to consider themselves responsible for making and keeping up the smaller district roads?—I conceive that they are sufficiently taxed already.

8426. What tax does a zemindar pay to the State?—The zemindar pays, in fact, the whole of the revenue of the State. It is levied upon his property.

8427. He pays one-half the real rent of his property, is not that the case; that is to say, he is allowed to hold land which belongs to the State, and have half the rent which the State could obtain for it from any other person?—Yes.

8428. Out of that large surplus rent which is allowed to remain with this zemindar, should not he perform those various duties of making roads and other works which he complains the Government has neglected?—I think it is more the duty of the Government to perform those works than the duty of the zemindars. It is stated that the Government have not generally had the means of doing what was necessary to render the police more efficient, and for carrying out various improvements in the country; but at the time the Government had a surplus revenue (which I well recollect), the Government did not think of applying that surplus to the removal of those objections, but they conceived that that surplus should be applied, in some mode or other, to pay off the debts of the civil service.

8429. Do not you imagine that these petitioners, under the circumstances which you have described, are less entitled than any other of the Queen's subjects in India to make this complaint; that because the Government has not had surplus funds they have not executed all the works of utility in Bengal which the petitioners might have desired?—I do not see why they should make those improvements.

8430. The Government has made over to those very zemindars who are among these petitioners a magnificent kingdom, at an assessment of 2,000,000 *l.* a year less than it could be assessed at if it were in the hands of the Government of the present day?—That may be a misfortune which the Government of India now suffers from. I suppose that the question alludes to the settlement made by Lord Cornwallis. I do not conceive that the Government has any right to complain of that settlement, however much they may suffer from it.

G. G. Macpherson, Esq.

14 July 1853.

8431. Are not those petitioners the last men in India who should come forward with this complaint against the Government of not having done all that they could require in consequence of a deficiency of funds; whereas if it had not been for the great advantages which have been conferred on these very petitioners, the Government would have had sufficient funds to perform those and a great many other useful works?—I am unable to answer that question.

8432. *Chairman.*] Have you anything further which you wish to state to the Committee?—I may state that I have been only very recently appointed agent for the British India Association, and that if time were allowed me, I could adduce evidence on the subject of the petition; and even now I am prepared to do so, and shall be glad to do so, though I have had only a short time to do it. Had longer time been allowed, I could have produced what I have no doubt would be very strong evidence; but, even at the present moment, I can produce several gentlemen who have been long resident in India, who can vouch for the truth of much that is stated in this petition.

LIST OF APPENDIX.

Appendix, No. 1.

Papers delivered in by Mr. Peacocke:

Roads, Bengal, 1829:—Minute of Sir C. T. Metcalfe, Bart. - - - - - - p. 103.

Village System:—Minute by the Honorable the Lieutenant-Governor North West Provinces, dated 25th September 1848, on Joint and Separate Responsibility in Coparcenary Mehals, p. 105

Appendix, No. 2.

Number of Ships in the Bengal Marine in each of the last Ten Years, distinguishing those for External from those for Internal Service; and (as far as the same can be ascertained) the Gross Expense for the same, and the Amount Received, and the Net Charge; also, whether Built by Contract or Purchased - - - - - - - - - - p. 108

Appendix, No. 3.

List of Petitions referred to the Select Committee on Indian Territories, Session 1852–53, p. 113

A P P E N D I X.

Appendix, No. 1.

PAPERS delivered in by Mr. *Peacocke.*

ROADS, BENGAL, 1829.

MINUTE of Sir *C. T. Metcalfe,* Bart.

I FEAR that my notions on the subject of roads will seem heterodox.

In the course of much travelling in various parts of India, I have not been impressed with the belief that there is any general want of communication proceeding from a want of roads. Appendix, No 1.

It seems to me that there is commonly a sufficiency of communication according to the demands of the people.

There may not be everywhere a road for an English carriage, but how little is this needed by the mass of the inhabitants.

Even in this respect there is much greater facility than might be expected. Fourteen years ago I travelled in a sociable from Futtehgurgh to Meerut in the rainy season, and 5½ years ago in a curricle from Masulipatam to Hydrabad in dry weather. In both instances the roads were for the most part the common roads of the country, and similar attempts might have been made with the same success; and no doubt have been on numerous lines of similar ordinary roads.

In those parts of the country to which I have been most accustomed, whether within or beyond our own territories, there is scarcely a village that has not carriage roads through its lands in several directions. By a carriage road, I mean a road traversed by the carriages of native gentlemen and ladies, and by the common carts of the country.

Mountainous and swampy regions must be excepted; and in many parts the rainy season makes a road impassable or difficult which was good in dry weather. This defect cannot be peculiar to India, but must be common wherever such a continuance of excessive rain prevails.

In Bengal, which is subject to inundations and torrents, and where it is hyperbolically said to rain 14 months in the year, nature seems to have declared against the continual use of roads, and to have furnished navigable streams as substitutes, for the purposes of commerce and intercourse.

In such a country, roads cannot be made perfect throughout without immense expense. By perfect, I mean fit for conveyances of every description, in all parts, during all seasons, rising above inundations, and able to resist torrents. As to mere communication, that already exists. I have travelled twice from Calcutta to the Upper Provinces by dawk in the rainy season; once in the middle of it, the month of August, by the direct road to Bancoora, and the other time at the end of the season, by Burdwan; the road was passable on both occasions, and was probably as good as it ever will be without great and interminable expense; on the latter, I went for different parts of the way in a carriage, for which the road was in those parts and some others sufficiently good.

Where the rain can run off, and the soil is such as does not become swampy from wet, there roads can be made easily and with little expense, but there, also, roads will generally be found already existing, which sometimes might be more spoiled than improved by new making.

Where there are difficulties which render the roads nearly impassable, they cannot be remedied without heavy expense.

For instance, a road might be easily made from Dehlee to Agra; one has existed from time immemorial, composed of the soil of the country, and running level with the flat surface, which without much difficulty or cost, could receive either repair or improvement, if needed, and is equally passable for the most part all the year round. On the other hand, take the valley of Berar, from the river Wurda to the Adjuntee Pass. The country is flat, and the road is equally good with the other in the dry season, and might be made to look smart with little cost; but to make a road in that valley that should be serviceable throughout the rainy season, would require an excessive expense, the soil being a sticky clay, which, when soaked

Appendix, No. 1.

soaked with rain, sucks in the foot of man or beast, and will hardly let it out again. The materials for a road there must be brought from a distance, and the road must be raised above the level of the country, and have numerous arches to let the water pass under it. It must in short be a bridge or causeway, from one end of the valley to the other.

Expense may be lavished on roads where serviceable roads already exist. I am inclined to think that the road from Benares to Allahabad is a specimen of that mode of proceeding. I had travelled frequently from Benares to Allahabad before that road was made, without being struck with the idea that any other road was required than that which then existed; and I have travelled there since the road was made, without being aware of the improvement. I do not mean to say, nor do I suppose, that there has not been any improvement; but merely, that I was not struck with the deficiency before, nor with the improvement since; doubtless there has been improvement, but perhaps it might equally have been obtained without making a new road. Another instance that has come under my observation is the road from Hydrabad to Masulipatam; this has been made by the Madras Government, at a great cost of money, time, and labour. There was previously a road on which I travelled, as before-mentioned, in a curricle. Let it be granted that the old road, in some places, needed improvement; had attention been duly paid to that object exclusively, all the essential benefit of the new road might have been obtained at comparatively little cost; instead of which, a new road has been made, I understand, from beginning to end. All the labour, time, and money expended on that work, beyond what was required to make the old road serviceable throughout, I cannot avoid regarding as absolute waste.

But it is very likely to happen, when any person is specially appointed to the superintendence of road making, that unnecessary expenditure will follow; he has a natural desire to form a complete work which may be creditable to himself. He must therefore have a spick and span new road, and will not be satisfied with merely doing what is required to improve the old.

I observe that Captain Vetch, with reference to the intended repair of the Burdwan road to Bancoora, proposes to bring it into good travelling condition for wheeled carriages during the dry season, and for foot travellers during the rains. I should suppose that it is already in that condition, or in one so near it, that the little required can be done by the magistrates, without any considerable expense. If, however, by wheeled carriages Captain Vetch means English carriages, the case may be different; and, I fear, that in our road-making our attention is directed too exclusively to such. I have heard of the carts of the country not being allowed to go on roads made for English carriages; and there is some reason in this, if it can be deemed proper to make roads for the exclusive use of the small English community scattered over the country, for the ruts made by the country carts must soon spoil the best made road as to its fitness for English carriages, and whether it be pukha or kutcha, of brick or of earth, this evil cannot be prevented without almost daily repairs.

I hope that I shall not be suspected of maintaining the absurd proposition that a good road is not a good thing; or that the providing of good roads is not an object worthy of the attention of a Government. What I really mean to advance is, that these roads are generally sufficient for the wants of the inhabitants of the country; that roads may be superfluously made when they are not urgently required; that a great deal of money may be thrown away, without making good roads; and that, finally, the state of our finances does not admit of our incurring a large expenditure on this, or any other object, even of real improvement, that does not afford a reasonable prospect of return.

In the last year of which we have an actual account, 1827-28, the second year of peace, our expenditure exceeded our income by 2,68,00,000 rupees; and, as if to show the uncertainty of estimates, the actual deficit exceeded that estimated by no less than 1,28,00,000 rupees.

The result of 1828-29 will of course be better, and that of 1829-30, it may be hoped will be better still; but until we spend less by 2,68,00,000 rupees than we did in 1827-28, or have so much more revenue, or by the joint operation of the two processes, have wholly got rid of our deficit, we shall be in the situation of the spendthrift who, having already exhausted his means, has nothing to spare that can properly be laid out on supposed improvement, of which no result but expenditure is certain.

Mr. Bayley, in speaking of making roads as necessary in some places for the increase of our revenue, alludes, I believe, to the Nerbudda territories, where we have been for some years spending money in making roads on that speculation. I am sceptical as to the expected result, and doubtful as to the utility of the outlay incurred, but we are informed by the local officers that great benefits are to ensue, and have more reason therefore than generally exists, for venturing on the expense.

I acknowledge for my own part that if I had my will no expense of this kind, that did not obviously promise decided financial advantages, should be incurred until we had a clear surplus revenue, of which, although even then the greater part ought to be devoted to the reduction of our debts, a portion might be assigned for improvement. Much of our borrowed money has been squandered on undertakings beyond our means; our outrageous expenditure at the new mint, in buildings as well as machinery, has raised a monument of wasteful extravagance, in which the Government at home and the local Government are both concerned. The unnecessary magnificence of the machinery recently brought out for the cannon foundry is another specimen of the same spirit, and as we have no building that can contain it, we shall be called on here to erect another sumptuous pile for its reception. Unless the Honourable Court of Directors practice economy in our territorial expenses at home,

home, the efforts of the Government in this country to keep our expenditure within our income will prove unavailing.

With a surplus revenue objects of outlay might be selected, but with an excess of expenditure over income, and a debt larger than at any former period, there does not seem to be any safe course but in abstaining from every extra expense that is not necessary.

To a certain extent the care and repair of roads must be considered necessary, and if what is proposed with respect to the road between Hoogly and Bancoora, come under that description, it must, I conclude, be adopted. Although my supposition would be to the contrary, I have not such minute information on the subject as would alone justify an assertion to that effect; I therefore confine my objections to the general remarks which I have offered on the inexpediency of incurring a large expenditure, even on objects of supposed improvement at a time when our expenses exceed our income.

In general it would, I conceive, be sufficient that the magistrates should take care of the roads in their respective districts, by the use of convicts, or occasionally hired labourers; and that when any important work be deemed necessary, the corps of Pioneers should be employed in executing it.

23 August 1829. (signed) *C. T. Metcalfe.*

VILLAGE SYSTEM.

MINUTE by the Honorable the Lieutenant-Governor North West Provinces, dated 25th September 1848, on Joint and Separate Responsibility in Coparcenary Mehals.

1. IN considering the question of the joint responsibility of the coparceners in putteedaree estates, it may be advantageous to inquire what is the actual state of the law in this respect; how far it is in harmony with the feelings and institutions of the people, and how far it is consistent with the general rules of expediency and good policy.

2. The state of the law is this: that when a body of men remain voluntarily associated together for the joint management of an estate, and one of them falls in balance, the whole body are liable to be called upon to make good the balance.

3. The course of legislation regarding the division of estates shows, that the Government were quite sensible of the dangers to which private rights might be exposed, from the well-known principle that joint proprietors were "considered jointly and severally responsible for the payment of the public revenue assessed upon the estate;" and that the Government also recognised, as the safeguard against this danger, the power possessed by proprietors in a joint estate, "at any time to obtain a division and separation of their respective shares of the lands, whenever they may deem it conducive to their interests to have recourse to that measure."

See Sect. 3, Reg. VII., 1805.

Vide preamble of Reg. VII., 1805.

4. This was provided for by section 31, Reg. XXVI., 1803, which declared, that "when the proprietor of a joint undivided estate is desirous to have separate possession of his share, the collector shall immediately proceed to make the division of the joint property."

5. The temporary and partial forgetfulness of this principle, which caused the enactment of Reg. VI. 1807, to prevent the formation of estates paying less than 1,000 or 500 rupees jumma annually, only led to its more distinct and perfect recognition by Reg. V., 1810, which rescinded Reg. VI., 1807, and declared, that the restriction "laid on the partition of small estates had been the cause of considerable injury to numbers of individual sharers, thereby inducing a sacrifice of private rights, which the degree of public inconvenience, arising from the minute division of landed property, does not appear of sufficient magnitude to justify or require."

6. Reg. XIX., 1814, re-enacted, with some modifications, the former laws, and maintained the obligation on the collector to divide the estate, on application from one or more of the joint proprietors, provided there were no disputes regarding the shares. But it left untouched the provisions of Reg. IX., 1811, which afford peculiar facilities for the separation of properties in Putteedaree estates, on the ground that, "the interest and welfare of the landholders require that the division of portions of estates should be easily effected."

7. If there be any dispute regarding the shares, or if the collector hesitate on any account to act under the obligations imposed upon him by the law, to divide an estate, on application from the proprietors, it is in the power of one or more of the proprietors to compel division by suit in the civil court; it is, therefore, altogether optional with a proprietor, whether he remain liable to the joint responsibility which attaches to all sharers in joint undivided estates.

8. If the estate remain undivided, and one of the sharers fall into balance, the amount may be realised from him individually, or from the whole body collectively. In practice, it is customary to attempt to realise first from the individual; then to offer his property to any coparcener who will pay up the arrears; and if no one accepts this offer, then to hold the entire body jointly responsible for the balance.

9. It is well known that these principles of administration have been introduced to meet the circumstances of what are commonly designated village communities in the provinces. These communities cannot be better described than in the words of the late Lord Metcalfe, in his Minute of 7 November 1830:

See Appendix, No. 84, to Report of Select Committee of the House of Commons on the Affairs of the East India Company, dated 16 August 1832.

"The village communities are little republics, having nearly everything that they want within themselves, and almost independent of any foreign relations. They seem to last where nothing else lasts. Dynasty after dynasty tumbles down; revolution succeeds to revolution; Hindoo, Patan, Mogul, Mahratta, Sikh, English, are all masters in turn; but the village communities remain the same. In times of trouble they arm and fortify themselves; an hostile army passes through the country, the village communities collect their cattle within their walls, and let the enemy pass unprovoked. If plunder and devastation be directed against themselves, and the force employed be irresistible, they flee to friendly villages at a distance; but when the storm has passed over, they return and resume their occupations. If a country remain for a series of years the scene of continued pillage and massacre, so that the villages cannot be inhabited, the scattered villagers nevertheless return whenever the power of peaceable possession revives. A generation may pass away, but the succeeding generation will return; the sons will take the places of their fathers; the same site for the village, the same positions for the house; the lands will be re-occupied by the descendants of those who were driven out when the village was depopulated; and it is not a trifling matter that will drive them out, for they will often maintain their post through times of disturbance and convulsion, and acquire strength sufficient to resist pillage and oppression with success."

10. Any person who is conversant with the social state of the agricultural classes in these provinces, knows that these communities are found in the most perfect state in the Delhi territory and in Bundelkund, and that they are commonly met with throughout the Dooab, on the right bank of the Jumna, and in the southern and western parts of Rohilkund; and that even in the province of Benares they are frequently found, little altered from the state in which they existed when the province first came under our rule, half a century ago.

11. The sentiments of the same high authority, regarding the course which should be pursued towards these communities, is entitled to respect:

"This union of the village communities, each one forming a separate little state in itself, has, I conceive contributed more than any other cause to the preservation of the people of India, through all the revolutions and changes which they have suffered; and is in a high degree conducive to their happiness, and to the enjoyment of a great portion of freedom and independence. I wish, therefore, that the village constitution may never be disturbed; and I dread everything that has a tendency to break them up. I am fearful that a revenue settlement, separately with each individual cultivator, as is the practice of the Ryotwar settlement, instead of one with the village community through their representatives the head men, might have such a tendency. For this reason, and for this only, I do not desire to see the Ryotwar settlement generally introduced into the Western Provinces. The experienced advocates of that mode of settlement would, I believe, maintain, that it need not produce that effect. It appears to me, however, that it must tend to loosen, and ultimately dissolve, the ties which bind the village communities together. Instead of all acting in union, with a common interest as regards the Government, and adjusting their own separate interests among themselves, according to established usage, each would have his separate independent arrangement directly with the Government, and could hardly fail to be thereby less linked with his brethren."

12. If the settlement is made with all the members of the community jointly, it follows that the whole are jointly responsible for the whole demand; and unless the joint responsibility be merely nominal, it must, as a general rule, be maintained. It is a principle maintained by all former Governments; it is one, the justice of which the people never dispute, and it is one of which distinct traces have been left in many of the customs which prevail in the communities.

13. The expediency of maintaining the principle of joint responsibility is supported by many arguments, besides that of general adaptation to the feelings and customs of the people.

14. It greatly promotes self-government, and renders unnecessary that constant interference with the affairs of individual cultivators on the part of the Government officers which must otherwise exist; it saves them from much expense, which would otherwise fall upon them, and it facilitates their union for many purposes of municipal economy, which could not otherwise be effected. The efforts of the prosperous and industrious members of a community will often be directed to stimulate the idle, to assist the unfortunate, and to give additional value to the labours of their thrifty brethren. Property being minutely divided, and each proprietor clinging with the greatest tenacity to his patrimony, it would be difficult to devise a civil institution better calculated to add to the happiness and prosperity of the people.

15. And, as a system, it does work well. Year after year, thousands of communities pay up their Government demand without any demur or difficulty, and manage their own affairs without needing the intervention of any revenue officer of the Government. It is most desirable, that they should continue to do so; and if difficulties do arise, the law has invested the village representative with full power to realise the balance by summary suit or distraint. But exceptional cases will occur. Dissensions amongst the old members of the community, the intrusion of strangers, or the pressure of calamitous seasons, will throw the whole community into difficulty; and great judgment will be necessary in then dealing with the case. It is not impossible that there may be a general alarm; and that even the solvent co-parceners will withhold payment of what is primarily due from them, lest they be held responsible also for the default of others. This need never proceed to any great extent; for on the first occurrence of a balance, the collector can attach the whole village,

village, and can hold each proprietor responsible in his person and personal property for the sum due from him. This power, when rightly wielded, is quite sufficient to prevent any substantial proprietor from wilfully withholding what it is in his power to pay. But, even if individual damage and loss to the Government did occasionally occur, this would be quite insufficient to warrant the rejection of a principle otherwise sound, and generally beneficial in its operation. Appendix, No. 1.

16. In order that the people should experience the full benefits which the observance of these principles is calculated to confer on them, it is necessary that the revenue officers of the Government should comprehend the full extent of the obligations which rest upon them. They should understand all the advantages attending each state of property; that which involves the maintenance of the joint responsibility, and that which is consequent on its dissolution. They should recognise the duty of rapidly, cheaply, and readily, dividing estates, whenever application to that effect is made, with an understanding of the question on the part of the applicant; they should feel and understand the facilities for divisions occasioned by the late settlement, and above all, they should observe a marked distinction in the mode of dealing with joint undivided estates, and with separate estates on the occasion of a balance.

17. A reference to statement, No. V., shows that there is much diversity of practice regarding divisions. Such divisions, by consent of the parties, are numerous in Rohtuck, (74), and in Agra (62), whilst in Goruckpore there are no less than 1,358, being about two-thirds of the number (1,920) in the whole provinces. In Saharunpore and Boolundshahur there have been none, whilst in many districts there are very few. In Rohilkund the practice is uniformly general. The number of divisions by order of Court is generally small; but in Shahjehanpore it seems to have suddenly mounted up to 141, which is in itself more than half of the whole number (274), in the provinces. These irregularities, no doubt, arise from local misapprehensions, or from whims and fancy on the part of particular officers. There is good reason to believe that, except under peculiar circumstances, the members of a community when the merits of a case are fairly stated to them, would rather remain united.

18. Statements will not so easily expose irregularities of practice regarding joint undivided estates in balance; but there is reason to apprehend that when a balance is due, and even before the time on which it is legally due, the collector frequently permits separate dussucks to be served on all members of the community, and treats them as if they were severally responsible, without any attempt to enforce, through the Lumberdar, the joint responsibility, which is an essential feature of the Settlement Contract Act, I., 1841, has done much to prevent cases of injustice and hardship, which formerly occurred; but its too general and indiscriminate use may undermine the very constitution of the village communities.

19. When a balance has actually occurred in a putteedaree estate, it is evident, that if, as the senior member seems to desire, the joint responsibility of the whole community be immediately repudiated, the efficacy of the principle is destroyed, at the very time when it should come most into operation. A few examples, even of ruin to a community by the enforcement of the principle, might possibly be beneficial in their moral effect upon many other communities. Instances may, however, be adduced, in which it may be wise to remit a balance, rather than attempt to enforce payment by the whole community; as it may be wise sometimes to remit a balance from an individual, rather than bring his estate to sale for its liquidation; but it is unnecessary to contemplate the existence of such cases. The joint responsibility of the whole community is understood by the people; it is in unison with their established customs, and is in itself equitable and politic. Being so, its maintenance should be the rule, and exceptional cases should be treated on their merits; it being understood that strong grounds must be shown to warrant the exception.

20. In para. 11 of the secretary's letter, the senior member justly remarks on the importance of facilitating the investment of capital in land. Of this there can be no question; and it is gratifying to observe how eagerly land is now sought after as an investment by all classes of natives.

21. This will be more and more the case in proportion as titles to land are defined and rendered secure. It may be doubted whether the principle of joint responsibility materially affects this. In many cases it certainly increases the desire to obtain the rights and interests of a coparcener in a joint undivided estate, because the purchaser hopes to make his first acquisition the means, either by fair or unfair methods, of obtaining the whole estate. This is occasionally forced upon notice by the odious efforts of some intriguing oppressor to usurp the property of a whole community; but it also happens, far more frequently than is generally supposed, when a friendly capitalist is introduced, to relieve the proprietors of a burden which they find themselves unable to bear, and to afford them the chance of recovery. Undoubtedly the right of pre-emption, which naturally results from the principle of joint responsibility, tends much to the consolidation of small properties. It may be apprehended, that "small and independent holdings" would be found so expensive to manage and so open to vexatious interference on the part of Government officers, that they would be shunned rather than sought after as an investment.

(signed) *J. Thomason*, Lieut.-Governor N. W. P.

Agra, 25 September 1848.

Appendix, No. 2. - - - - - - - -

NUMBER of Ships in the Bengal Marine in each of the last Ten Years, distinguishing those for External and the Amount Received, and the Net Charge;

EXTERNAL SERVICE. - - - - -

STEAM VESSELS. - - - - - - - -

SHIP'S NAME.	Whether Built of Iron or Wood.	Built by Contract or Purchased.	1842–43. Received or Realised.	1842–43. Expenditure.	1843–44. Received or Realised.	1843–44. Expenditure.	1844–45. Received or Realised.	1844–45. Expenditure.	1845–46. Received or Realised.	1845–46. Expenditure.
			Co.'s Rs.	*Co.'s Rs.*	*C. Rs.*	*Co.'s Rs.*	*Co.'s Rs.*	*Co.'s Rs.*	*Co.'s Rs.*	*Co.'s Rs.*
Ganges - -	Wood	- - Contract at Kidderpore.	- -	44,550	- -	46,797	19,411	35,040	30,618	18,994
Diana - -	,,	- - Contract at Calcutta.	- -	19,260	Employed in the Straits			27,777	57	47,050
Enterprise - -	,,	- - Contract at Calcutta.	- -	*58,144	- -	51,112	43,569	66,158	7,205	76,129
Nemesis - -	Iron -	- - Private agreement in England.	- -	*49,969	- -	41,140	394	*36,836	315	*51,354
Hooghly - -	Wood	- - Contract at Calcutta.	- -	*45,888	- -	21,572	5,839	14,955	136	21,792
Irrawaddy - -	,,	- - Contract in India.	Launched this year		- -	30,847	390	32,353	7,200	31 827
Proserpine - -	Iron -	- - Private agreement in England.	- -	*48,563	- -	*44,972	- -	*55,025	761	66,809
Phlegethon -	,,	- - Private agreement in England.	- -	*44,552	- -	20,805	22	55,033	- -	51,554
Tenasserim - -	Wood	- - Contract at Moulmein.	- -	*12,830	- -	54,142	97,072	97,072	3,189	1,18,866
Pluto - - -	Iron -	- - Private agreement in England.	- -	*31,380	- -	- -	- -	- -	- -	*40,672
Fire Queen -	Wood	- - Purchased by Bengal Government, 1847.	- -	- -	- -	- -	- -	- -	- -	- -
Mahamuddy -	Iron -	- - Late an inland steamer.	- -	- -	- -	- -	- -	- -	- -	- -
TOTAL Company's Rupees - - -			- -	3,55,136	- -	3,14,387	1,66,697	4.20,249	49,481	5,25,047

* This mark indicates that the ships, in the course

PILOT VESSELS. - - - - - - - -

SHIP'S NAME.	Whether Built of Iron or Wood.	Built by Contract or Purchased.	1842–43. Receipts.	1842–43. Expenses.	1843–44. Receipts.	1843–44. Expenses.	1844–45. Receipts.	1844–45. Expenses.	1845–46. Receipts.	1845–46. Expenses.
			Co.'s Rs.	*Co.'s Rs.*	*C. Rs.*	*Co.'s Rs.*	*Co.'s Rs.*	*Co.'s Rs.*	*Co.'s Rs.*	*Co.'s Rs.*
Saugor - -	Wood	Built by the East India Company in their dockyard at Bombay -	- -	- -	- -	- -	532	24,314	622	23,031
Megna - -	,,		- -	- -	- -	- -	513	19,000	241	16,244
Krishna - -	,,		- -	- -	- -	- -	49	19,585	822	10,562
Cavery - -	,,		- -	- -	- -	- -	952	17,148	858	21,395
Caleroon - -	,,		- -	- -	- -	- -	560	21,462	586	17,269
Salween - -	,,	Built by contract at Moulmein -	- -	- -	- -	- -	4,044	18,536	269	17,421
Tavoy - -	,,		- -	- -	- -	- -	2,891	20,743	375	19,872
Fame - -	Iron -	Built in England by private agreement -	- -	- -	- -	- -	- -	- -	740	19,568
							9,541	1,40,788	4,513	1,45,362
Add Receipts and Expenses incidental to the Pilotage of the Port of Calcutta - - - - - -			- -	- -	- -	- -	4,99,584	7,07,880	5,61,884	7,08,554
TOTAL Company's Rupees - - -			- -	- -	- -	- -	5,09,125	8,48,668	5,66,397	8,53,916

- - - - - - - Appendix, No. 2.

from those for Internal Service; and (as far as the same can be ascertained), the Gross Expense for the same, also, whether Built by Contract or Purchased.

- - - - - EXTERNAL SERVICE.

- - - - - - STEAM VESSELS.

1846–47.		1847–48.		1848–49.		1849–50.		1850–51.		1851–52.	
Received or Realised.	Expenditure.	Received or Realised.	Expenditure.	Received or Realised.	Expenditure.	Received or Realised.	Expenditure.	Received or Realised.	Expenditure.	Received or Realised.	Expenditure.
Co.'s Rs.	*Co.'s Rs.*	*Co.'s Rs.*	*Co.'s Rs.*	*Co.'s Rs.*	*Co.'s Rs.*	*Co.'s Rs.*	*Co.'s Rs.*	*Co.'s Rs.*	*Co.'s Rs.*	*Co.'s Rs.*	*Co.'s Rs.*
- - - Sold	-	—	—	—	—	—	—	—	—	—	—
643	27,269	- - Sold	-	—	—	—	—	—	—	—	—
48,150	78,983	26,325	92,600	49,738	81,908	31,760	77,485	78,841	69,387	61,174	69,351
- -	- -	* Employed on Her Majesty's Service				- -	62,175	- -	3,057	610	36,567
- -	- - -	Employed in the Straits - - -				- -	34,298	8	37,858	96	31,804
6,234	47,692	3,944	34,772	276	36,830	70	28,751	3,234	8,476	- Broken up.	
253	46,515	444	86,447	- -	43,952	127	38,739	- -	46,204	100	44,343
93	26,476	- - * Employed on Her Majesty's Service in China and Straits -							- -	922	15,478
1,31,640	*1,28,785	10,688	1,11,130	28,187	1,16,019	49,551	1,12,227	59,711	1,50,699	47,130	1,26,133
- -	- - Employed on Her Majesty's Service -					751	77,749	1,283	90,502	H. M's. Service.	
- -	- -	31,527	46,579	1,430	29,656	22,750	41,535	323	9,432	29,971	87,833
- -	- -	- -	- -	- -	-	- -	- -	- -	- -	- -	20,613
1,87,013	3,55,720	72,928	3,71,528	79,631	3,08,365	1,05,009	4,72,959	1,43,400	4,15,615	1,40,003	4,32,122

of the year, were employed in Her Majesty's service.

- - - - - - - - PILOT VESSELS.

1846–47.		1847–48.		1848–49.		1849–50.		1850–51.		1851–52.	
Receipts.	Expenses.	Receipts.	Expenses.	Receipts.	Expenses.	Receipts.	Expenses.	Receipts.	Expenses.	Receipts.	Expenses.
Co.'s Rs.	*Co.'s Rs.*	*Co.'s Rs.*	*Co.'s Rs.*	*Co.'s Rs.*	*Co.'s Rs.*	*Co.'s Rs.*	*Co.'s Rs.*	*Co.'s Rs.*	*Co.'s Rs.*	*Co.'s Rs.*	*Co.'s Rs.*
704	20,307	2,601	14,533	272	26,199	203	13,783	220	16,188	604	13,005
529	19,163	49	13,979	2,295	24,250	141	18,285	357	17,077	150	11,065
- - - -	Employed surveying the coast of Coromandel, and the entrance of Moulmein river -									—	—
292	14,633	224	19,763	1,931	18,572	795	21,850	533	18,366	273	24,651
286	17,810	435	15,664	2,204	28,286	331	16,524	396	17,794	182	16,705
75	15,575	828	13,473	3,131	22,869	196	13,359	174	17,205	130	18,512
526	18,003	1,979	21,626	20	14,440	603	15,367	591	19,615	1,724	20,283
264	17,954	23	17,989	102	19,014	273	20,603	191	15,655	56	13,452
2,676	1,23,445	6,139	1,17,027	10,255	1,53,630	2,542	1,19,771	2,462	1,21,900	3,119	1,17,673
570,027	7,15,419	5,29,338	6,60,402	5,28,180	7,74,114	5,73,988	7,00,073	5,80,944	7,07,210	6,58,724	6,79,140
5,72,703	8,38,864	5,35,477	7,77,429	5,38,435	9,27,744	5,76,530	8,19,844	5,83,406	8,29,110	6,61,843	7,96,813

Number of Ships in the Bengal Marine in each of the last Ten Years,

INTERNAL SERVICE,

Consisting of Steam Vessels, with Accommodation, Cargo, and Troop Boats.

NAMES of VESSELS and BOATS.	Whether Built by Contract or Purchased.		1842–43. Received or Realised.	1842–43. Expenditure.	1843–44. Received or Realised.	1843–44. Expenditure.	1844–45. Received or Realised.	1844–45. Expenditure.	1845–46. Received or Realised.	1845–46. Expenditure.
Steam Vessels:	Launched		Co.'s Rs.	Co.'s Rs.	Co.'s Rs.	Co.'s Rs.	Co.'s Rs.	Co.'s Rs.	Co.'s Rs.	Co.'s Rs.
Thames	1834	The whole of these Vessels and Boats are of iron: they were constructed in England by private agreement, sent out in pieces to Calcutta, completed in India, and launched for service at the dates specified.	-	-	-	-	1,758	43,988	183	43,586
Jumna	1835		-	-	-	-	2,592	32,235	15	32,540
Megna	1835		-	-	-	-	625	37,357	194	36,640
Berhampoota	1841		-	-	-	-	1,893	29,623	178	39,387
Horringotta	1840		-	-	-	-	650	34,586	242	43,570
Indus	1842		-	-	-	-	608	33,219	31	40,699
Damoodah	1843		-	-	-	-	1,378	33,015	134	37,050
Mahanudda	1843		-	-	-	-	1,177	36,084	87	38,995
Lord William Bentinck	1845		-	-	-	-	-	-	996	38,407
Nerbuddah	1845		-	-	-	-	-	-	174	31,459
			-	-	-	-	10,681	2,80,107	2,234	3,82,333
Accommodation Boats:										
Soorma	1836		-	-	-	-	60,043	18,216	66,593	10,322
Mattabanga	1836		-	-	-	-	82,687	10,240	91,757	9,579
Jellinghee	1835		-	-	-	-	80,338	8,962	86,911	9,358
Sutledge	1842		-	-	-	-	94,437	9,441	84,712	9,425
			-	-	-	-	3,17,505	46,859	3,29,973	38,684
Cargo Boats:										
Kallegunga	1840		-	-	-	-	85,633	10,754	1,01,065	8,518
Luckia	1841		-	-	-	-	94,714	9,391	75,216	8,880
Goomtee	1842		-	-	-	-	1,07,712	7,883	70,509	7,997
			-	-	-	-	2,88,059	28,028	2,46,790	25,395
Troop Boats:										
Bhugerutta	1845		-	-	-	-	-	-	72,186	6,323
Soane	1845		-	-	-	-	-	-	1,23,000	8,979
			-	-	-	-	-	-	1,95,186	15,302
Internal Steam Charges General			-	-	-	-	-	27,850	-	33,536
Grand Total Company's Rupees			4,01,025	-	5,21,562	-	6,16,245	3,82,844	7,74,183	4,95,250

distinguishing those for External from those for Internal Service, &c.—*continued.*

INTERNAL SERVICE,

Consisting of Steam Vessels, with Accommodation, Cargo, and Troop Boats.

1846–47.		1847–48.		1848–49.		1849–50.		1850–51.		1851–52.	
Received or Realised.	Expenditure.	Received or Realised.	Expenditure.	Received or Realised.	Expenditure.	Received or Realised.	Expenditure.	Received or Realised.	Expenditure.	Received or Realised.	Expenditure.
Co.'s Rs.	*Co.'s Rs.*	*Co.'s Rs.*	*Co.'s Rs.*	*Co.'s Rs.*	*Co.'s Rs.*	*Co.'s Rs.*	*Co.'s Rs.*	*Co.'s Rs.*	*Co.'s Rs.*	*Co.'s Rs.*	*Co.'s Rs.*
71	34,504	5,231	38,845	2,586	42,219	962	38,808	1,352	40,045	10,769	24,721
4,585	44,002	1,877	37,721	9,663	41,539	24,026	32,449	29,584	31,647	14,476	31,819
747	40,044	1,315	45,294	1,939	49,347	10,979	26,195	1,649	23,663	1,884	27,218
143	41,942	40	38,087	10,254	40,870	2,656	43,770	1,251	34,375	1,057	30,586
245	38,515	22	31,551	697	48,380	612	35,276	2,114	35,718	1,712	29,557
5,969	39,361	49	36,417	467	38,851	900	40,060	7,585	35,341	7,984	33,183
4,559	36,184	1,660	33,161	2,193	30,274	6,560	54,684	12,102	39,171	18,469	30,233
4,955	40,595	287	48,074	431	47,054	15,458	42,020	155	34,389	—	—
1,491	46,483	1,302	52,209	948	63,545	1,952	53,966	2,517	47,207	772	44,543
908	47,444	471	49,327	537	57,040	2,347	52,177	9,045	46,568	4,475	54,025
23,673	4,09,074	12,254	4,10,686	29,715	4,59,119	66,452	4,18,605	67,354	3,68,124	61,598	3,05,836
81,249	11,319	56,268	13,275	59,697	11,027	64,018	11,026	72,544	11,034	48,396	9,596
73,644	11,898	55,539	10,996	66,418	11,433	39,969	11,020	127	9,816	27,232	24,042
54,978	8,662	22,290	24,116	—	—	—	—	—	—	—	—
1,01,997	10,605	59,623	11,475	83,991	12,111	98,325	11,884	77,540	10,510	57,614	10,787
3,11,868	42,484	1,93,720	59,862	2,10,106	34,571	2,02,312	33,930	1,50,211	31,360	1,33,242	44,424
91,653	8,700	73,294	8,795	87,829	9,135	1,10,585	8,213	98,214	8,936	86,004	7,743
1,23,503	8,096	96,047	9,510	91,696	10,097	1,10,361	10,184	93,801	8,485	82,590	6,804
64,881	8,888	73,596	8,893	96,903	8,570	92,540	9,372	77,797	8,387	69,479	10,271
2,80,037	25,684	2,42,937	27,198	2,76,428	27,802	3,13,486	27,769	2,69,812	25,808	2,38,073	24,818
71,964	10,066	1,06,335	6,733	80,363	11,519	1,42,334	10,883	1,39,281	10,523	98,262	9,927
97,150	10,573	1,04,240	6,846	1,27,551	10,657	1,36,818	8,861	1,22,148	9,305	86,606	8,970
1,69,114	20,639	2,10,575	13,579	2,07,914	22,176	2,79,152	19,744	2,61,429	19,828	1,84,868	18,897
- -	33,652	- -	52,795	142	37,079	- -	40,505	97	44,385	102	43,961
7,84,692	5,31,534	6,59,486	5,64,120	7,24,305	5,80,747	8,61,402	5,40,553	7,48,903	4,89,505	6,17,883	4,37,936

ABSTRACT.

YEARS.	EXTERNAL SERVICE. Steam Vessels. Number of Ships.	Steam Vessels. Receipts.	Steam Vessels. Gross Expense.	Steam Vessels. Net Charge.	Pilot Vessels. Number of Ships.	Pilot Vessels. Receipts.	Pilot Vessels. Gross Expense.	Pilot Vessels. Net Charge.	INTERNAL SERVICE. Number of Vessels, &c. Steamers.	Accommodation Boats.	Cargo and Troop Boats.	Received or Realised.	Gross Expense.	Net Charge.	Amount Realised.
		Co.'s Rs.	Co.'s Rs.	Co.'s Rs.		Co.'s Rs.	Co.'s Rs.	Co.'s Rs.				Co.'s Rs.	Co.'s Rs.	Co.'s Rs.	Co.'s Rs.
1842-43	9	- -	3,55,136	- -	- -	- -	- -	- -	6	3	2	4,01,025	—	—	—
1843-44	8	- -	3,14,387	- -	- -	- -	- -	- -	7	4	3	5,21,562	—	—	—
1844-45	9	1,66,697	4,20,249	2,53,552	7	5,09,125	8,48,668	3,39,543	8	4	3	6,16,245	3,82,844	- -	2,33,401
1845-46	10	49,481	5.25,047	4,75.556	8	5,66,397	8,53,916	2,87,519	10	4	5	7,74,183	4,95,250	- -	2,78,933
1846-47	6	1,87,013	3,55,720	1,68,707	7	5,72,703	8,38,864	2,66,161	10	4	5	7,84,692	5,31,534	- -	2,53,128
1847-48	5	72,928	3,71,528	2,98,600	7	5,35,477	7,77,429	2,41,952	10	4	5	6,59,486	5,64,120	- -	95,366
1848-49	5	79,631	3,08,365	2,28,734	7	5,38,435	9,27,744	3,89,309	10	3	5	7,24,305	5,80,747	- -	1,43,558
1849-50	7	1,05,009	4,72,959	3,67,950	7	5,76,530	8,19,844	2,43,314	10	3	5	8,61,402	5,40,553	- -	3,20,349
1850-51	8	1,43,400	4,15,615	2,72,215	7	5,83,406	8,29,110	2,45,704	10	3	5	7,48,903	4,89,505	- -	2,59,698
1851-52	5	1,40,003	4,32,122	2,92,119	7	6,61,843	7,96,813	1,34,970	9	3	5	6,17,883	4,37,935	- -	1,79,949

MEMORANDUM respecting the Receipts and Expenditure on account of the Pilot Sloops, and Inland Steam Service.

PILOT SLOOPS.

The receipts include the sums derivable from pilotage of the ships entering and leaving the Port of Calcutta; from the hire of moorings; hauling and transporting ships from place to place; from duties on dhonies, buoys, lights and beacons, &c.

The expenses embrace the charges incurred for the maintenance of the pilot brigs and sloops; for the surveying and floating light vessels; for the establishments of the master attendant's and harbour-master's departments, and a proportion of the expenses of other departmental establishments; also the expenses of hawser, anchor, and other boats, besides marine charges in general.

INTERNAL STEAM SERVICE.

The receipts and earnings of the inland steamers and boats include the amount of freight and passage-money received from the public, and paid into the general treasury at Calcutta; and the credits carried to account as the savings rendered to the State by the employment of these vessels, instead of hired craft, in the conveyance of Government troops and stores, camp followers, &c.

The expenses comprise the charges of maintaining the steamers and boats; the freight office establishment; salaries, &c., of agents at stations; wages to native pilots; and a proportion of the expenses of various departmental establishments.

N. B.—No charge is included for interest on capital laid out in ships, buildings, docks, &c., nor for depreciation of property.

Marine Department,
7 July 1853.

J. C. Mason.

Appendix, No. 3.

Appendix, No. 3.

LIST of PETITIONS referred to the Select Committee on INDIAN TERRITORIES, Session 1852–53.

PRESENTED.	PETITIONERS.	PRAYER.	PAGE.
5 July 1852-53 -	East Indians resident in London	Suggesting measures of amelioration -	113
5 July ,, -	- - Jevanjee Prestonjee and Rustomjee Viccajee.	For redress - - - - - - -	115
7 July ,, -	- - Members of the Madras Native Association, and others.	- - For a thorough inquiry into all the points affecting the welfare of India -	120
8 July ,, -	Dr. George Buist - - -	- - Complaining of statements made in reference to newspapers in India - -	123
11 July ,, -	- - Ministers and Missionaries in Madras, composing the Madras Missionary Conference.	- - For inquiring into the condition and government of British India - -	129
	Members of the Bombay Association, and other native Inhabitants of the Presidency of Bombay.	- - - ditto - - - - - -	131
13 July ,, -	Meern Oomnid Singh - -	For redress - - - - - - -	136
4 July ,, -	- - Merchants, Shipowners, and others, Liverpool.	- - Complaining of duty levied by East India Company - - - - -	138
	Merchants, Manufacturers, and others, St. Helen's.	- - - ditto - - - - - -	139
7 July ,, -	- - Inhabitants of the town and neighbourhood of Winsford, in the county of Chester.	- - For reduction of the duty on salt, imported into British India - - -	139
11 July ,, -	- - Vice-President, and Directors of the Worcester Chamber of Commerce.	- - Complaining of duty levied by East India Company - - - - -	140
13 July ,, -	- - Chairman of Bristol Chamber of Commerce.	- - - ditto - - - - - -	141

The MEMORIAL of *East Indians* of the Presidencies of *Calcutta, Madras,* and *Bombay,* at present residing in *London,*

Most humbly showeth,

1. THAT your memorialists are natives of India, and members of a numerous and increasing class of subjects of the Crown of Great Britain at present sojourning in this country.

2. That the community to which your memorialists belong are chiefly descended from European fathers, and from natives of India on the mother's side, and from intermarriages between the offspring of such connexions.

3. That your memorialists' community forms a distinct one throughout the continent of India, and dates its existence long prior to the establishment of British rule there.

4. That ever since Great Britain has acquired permanent possession in India, your memorialists' community has increased in number more rapidly.

5. That your memorialists, although at present remotely situated from their native land, feeling the deepest solicitude in the well-being and every particular the ordinary interests in life of their countrymen, cannot therefore refrain from manifesting their own heartfelt sense at the present juncture as regards the public administration of the affairs of British India.

6. That your memorialists consider it imperative upon them to submit to your Hononrable House the following grievances; and, although it may be urged that they have been virtually and positively removed by the East India Company's charter of 1833, your memorialists, nevertheless, beg leave most respectfully to assert that, in spirit or operation, that charter in relation to such grievances remains up to the present period a dead letter.

7. That your memorialists' community in India is entirely destitute of any rule of civil law. Those who are beyond the jurisdiction of Her Majesty's supreme court of judicature, and who may be temporarily or permanently residing in the interior provinces, are there made amenable to the Mahomedan and Hindoo criminal laws.

Appendix, No. 3.

8. That although a right of appeal is sometimes allowed to the superior tribunal, designated the Sudder Nizammut Adawlut, of the East India Company, yet such is the extraordinary power it possesses that it can increase punishment without allowing the common privilege of producing further evidence.

9. That as British subjects, and more especially as professing the Christian religion, it is extremely repugnant to the feelings of your memorialists' community to submit to the Mahomedan or Hindoo code in the provincial courts.

10. That, by Regulation VIII. of 1813, enacted by the East India Company, your memorialists' community are expressly classed among native subjects of the British Government, and consequently to all the disabilities of their Hindoo and Mahomedan fellow-subjects; and by Regulation III. of 1818, enacted by the local Government, they have been deprived of the protection of the Habeas Corpus Act, besides being liable to be taken up on mere suspicion, punished, and imprisoned as State prisoners, without the slightest chance of legal protection or hope of release, since the only channel of appeal is the local Government, and thus placing their property, their liberty, and even their lives at the mercy of every public functionary who may happen to be vested with power or authority.

11. That by Regulation III. of 1821 your memorialists' community is subjected in all cases to be dealt with as Hindoo and Mahomedan natives of the lowest grade, by being fined, imprisoned, and subjected even to corporal punishment, not only at the discretion of the European judges or magistrates of the East India Company's service, but even of the Mahomedan and Hindoo officers of justice.

12. That the criminal code to which your memorialists' community have been subjected is felt by them as not only a direct outrage to the religion they profess, but as an act of positive personal degradation and gross injustice.

13. That although the Act of the last charter, namely, of 1833, throws open all places of trust and emolument in the civil, military, and other branches of the East India Company's service, without distinction of caste, colour, or creed, yet the door to preferment is literally closed against your memorialists' countrymen, while many of them are perfectly qualified to fill them; and they continue to be superseded by Europeans quite inefficient, both from their standing and inexperience, as well as from their want of general knowledge with respect to the manners, habits, and notions of the people of the country.

14. That the charter of 1833 not having realised the expectations of your memorialists' countrymen, by a fair distribution even of many of the subordinate appointments under Government in the gift of heads of departments, and which are almost invariably conferred on others, will be borne out by the fact of the paucity of your memorialists' body holding any such places in all the Presidencies of India.

15. That your memorialists cannot refrain from objecting to the *primâ facie* evidence recently given by some officials of the East India Company's service before the Committee of your Honourable House, in terms no less unmeasured than disparaging as they are galling to the feelings of your memorialists and of their community.

16. Your memorialists think it needless to cite minutely instances of the general efficiency of fitness of their community towards being raised to superior offices equally with Europeans, beyond the facts that General Jones, who was at the head of the Bombay army in 1803, 1804, and 1805; General Lang, of the Madras army; and the distinguished and celebrated Colonels Skinner and Gardener, and Colonel Stevenson, a late quartermaster-general of the Bengal army, belonged to the class of your memorialists; and that the few who had been admitted prior to the prohibitory regulation, and others now belonging to the military and civil services of the East India Company, were and are sufficiently reputed for their high integrity, superior qualifications, and extensive information, is abundantly testified by the chronicles of India, the public testimony invariably borne in their favour by such eminent statesmen as the late Sir John Malcolm, the late Lord Metcalfe, the late Lord William Bentinck, the late Sir Alexander Johnston, and a host of other public characters, and is further testified by the several highly respectable and eminent members of our community who have adorned the bar, the pulpit, and the faculty, and who are now heads of several banking and mercantile firms of the first respectability, and constitute living proofs of the general respectable capacity of your memorialists' community, which must be well known to your Honourable House, and cannot require any further or lengthened illustration.

17. That your memorialists finally, most humbly, and with the greatest deference, venture to state that were the feelings, opinions, or wants of their community consulted, they would one and all exclaim and demand that legislators should also be chosen from among their own body, as well as from the various classes or tribes of the people, to fairly represent their diverse interests in the councils of the future administration of India, as pre-eminently qualified by their local knowledge. And, although millions of the population of India have hitherto most patiently submitted to be taxed, neglected, misrepresented and misgoverned by an oligarchy chiefly chosen by an unquestionably objectionable constituency of both sexes, and that too composed of the fractional atom of the great bulk of the talent, experience, and respectability of the English nation, your memorialists beg leave most respectfully to assure your Honourable House that, whether the reins of the future Govern-
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ment of India are to continue to be vested in the hands of the East India Company, or to be placed immediately under the supreme control of Her Majesty's Government, your memorialists do not feel solicitous of any change whatever beyond the desire to perfect equality of privileges and justice being both practically and theoretically meted out to them, not only as British subjects, but as inheritors of their native land, and who, for loyalty and attachment, stand second to none in the British empire, and who are still and ever will be found ready to defend the empire of Great Britain.

And your memorialists, in submitting the foregoing statement of their grievances to the serious consideration, wisdom, and justice of your Honourable House, as in duty bound, will ever pray, &c.

Signed on behalf of a Meeting of East Indians of the Presidencies of Calcutta, Madras, and Bombay, at present residing in London, held at the residence of John B. Pharoah, Esq., Ennore-house, Lower Tulse-hill, Brixton, near London.

John Wollaston, Chairman.

The humble PETITION of *Jevanjee Pestonjee* and *Rustomjee Viccajee*, the Sons and Representatives of *Viccajee Merjee* and the late *Pestonjee Merjee*, British subjects and Parsee inhabitants of *Bombay*, lately carrying on the business of Bankers and Merchants at *Hyderabad* in the *Deccan*, as well as in *Bombay*, and other Places in British *India*,

Most humbly showeth,

THAT your petitioners, as well as their fathers, who are British subjects, have suffered and have been for more than eight years suffering under grievous wrongs done them by his Highness the Nizam's Government, involving as well personal injuries as pecuniary losses; wrongs which your petitioners confidently believe no British subject other than those under the Government of the East India Company would be allowed to undergo with impunity to the wrongdoer. For the redress of those wrongs and losses your petitioners, as well as their fathers, have appealed to the British Government in India, and to the authorities in England, to whom the administration of affairs in India has been confided; but your petitioners and their fathers, in spite of their acknowledged rights as British subjects, have unhappily failed to obtain redress, which they could with all ease have procured for themselves had they been subjects of the Nizam's Government, or the subjects of any other native state in India, as your petitioners will hereinafter show; and your petitioners now humbly approach your Honourable House as the last means of obtaining redress for the cruel wrongs and injuries they have sustained, for which, in consequence of their being subjects of the British Crown, they have hitherto been unable to obtain any compensation.

In order to explain the circumstances which led your petitioners' fathers, Viccajee Merjee and Pestonjee Merjee, to go to the Nizam's territories, they beg to premise that Viccajee Merjee and Pestonjee Merjee, according to the usage of their ancestors for several generations, were employed in the administration of districts in the northern Concan, under the Paishwa's dynasty. From the time the British took possession of the country, Viccajee Merjee and Pestonjee Merjee in the very beginning assisted the British Government in the management of the revenues of a portion of that part of the country, and were afterwards entrusted by that Government with the farm of land and sea-customs, which they held up to 1836, when it was extended from the Candeish collectorate as far as the precincts of Goa, the Portuguese settlement. The manner in which they fulfilled this important trust has been appreciated by the Government of Bombay in one of their letters to your petitioners' fathers, dated 28th March 1836, at the time of abolishing the land customs, in the following words: "The correctness and punctuality displayed by you in your extensive dealings with Government entitle you to every consideration." The result of these extensive dealings has been recorded by one of the officers of Government in his letter to the Revenue Commissioner, dated 31st August 1835, in the words following: "Viccajee Merjee, on the contrary, takes an honest pride in showing the extent to which, by his enterprising spirit, he has not only more than doubled the resources of Government during the short space of seven years, but accumulated for his descendants a competency; and he may well boast of never having given Government a single cause to regret their having given to him, a private individual, the management of an extent of territory and a sum of money never before equalled in the records of any Government." To this your petitioners could add many other testimonies equally pointed and conclusive.

In 1836, when the land customs were abolished, Viccajee Merjee and Pestonjee Merjee were of necessity unemployed, and as they were excluded from all occupation suitable to their birth, position, and abilities in the British territories, they were induced to repair to the Nizam's country, which is bordering on the Bombay presidency, with the object of increasing the cotton trade from Berar to Bombay, which they had the honour of first opening during their farm of the land and sea customs entrusted to them by the British Government. On this occasion the Nizam's minister, the late Rajah Chundoolall, repeated an offer which he had previously made, to put certain cotton districts of Berar under their management; and on their agreeing, after obtaining possession of those districts, to give loans to the Government, Viccajee Merjee and Pestonjee Merjee, according to the policy invariably

Appendix, No. 3.

invariably pursued by the Engish Government in India, having no chance of obtaining employment in the British territories suitable to their rank and position, accepted the offer, and agreed to give, and did give, the loans required by the Nizam's Government, it being an express condition, on their making the said advances, that they should hold possession of certain districts in Berar.

The demands for such loans grew gradually more pressing from day to day, and in 1841 seriously alarmed your petitioners, as well as their fathers, and those towards whom they themselves had contracted engagements, in order to obtain the means to meet the demands of the Nizam's Government. However, at this time, Viccajee Merjee and Pestonjee Merjee, as security for the loans, made a security, in which many British subjects had a deep interest, held possession of certain Berar districts, yielding a gross revenue of 23 lacs of Hyderabad rupees, or 200,000 *l.* On this occasion they submitted to the Nizam's minister the circumstances which had put their credit in danger, and it was thereupon agreed, with the consent of both parties, namely, of Viccajee Merjee and Pestonjee Merjee, and the Nizam's Government, that they should give up possession of nearly half of the districts then held by them, and should retain that of the other half on the condition that an instrument should be deposited in the British residency, specifying the districts that were to remain in their possession, and that such possession should be confirmed and continued until the claims of the firm of Pestonjee Viccajee were liquidated in full. This arrangement was accordingly carried into effect, the instrument or deed giving effect to it bearing date 18th October 1841, which concludes in these words, that "it has been decided by the Government that, until the liquidation of the aforesaid sum, with interest, the possession of the districts is confirmed, and will be continued to him (Pestonjee Viccajee)," was deposited by the Nizam's government in the British residency; and on the execution of such deed, the possession of nearly half of the districts held by the firm was then, and not till then, given up by them to the Nizam's Government. By this arrangement your Honourable House will observe that, if there had been no meaning in the condition that the instrument in question should be deposited in the British residency, for the security of the possession of the districts specified in it, which were of the gross revenue of 13 lacs of rupees, your petitioners, as well as their fathers, would not have agreed to the arrangement specified above in preference to the actual possession of the whole of the districts, which were of the annual value of 23 lacs of rupees. The cession of the districts yielding a revenue of 10 lacs of rupees was solely made for the sake of obtaining what your petitioners, as well as their fathers, considered the specific security of the British Government, or at least the recognition by that Government of the transaction.

The original instrument now lies in the British residency, and your petitioners' fathers were furnished with an authenticated copy of it by the Resident for the satisfaction of their creditors, as by himself notified to the Nizam's Government, in his letter dated 19th October 1841, before sending a copy to your petitioners' fathers.

Your Honourable House will observe that your petitioners and their fathers were aware that as British subjects they could not have recourse to those means of resistance to the unjust violence of the Nizam which the subjects of the Nizam employ without scruple, and invariably with success; and therefore your petitioners' fathers provided as they conceived for their security, and the security of their creditors, by depositing the aforesaid instrument in the British residency, representing the British Government in India, and by obtaining a copy of it from the Resident, under his official authentication, for the satisfaction of their creditors.

Now your petitioners beg to show how much confidence they and their creditors had in this arrangement, and in this satisfaction, and in what manner subjects of the British Crown in India have endured wrong because they have faithfully performed their duty by claiming the mediation, and relying on the protection of their own Government, in preference to any attempt to obtain redress by violent resistance to the unjust and illegal conduct of the Nizam.

The financial position of the Nizam's Government becoming every day more critical, by reason of continuing demands upon it for the pay of the British contingent and for other equally urgent State purposes, while the Government treasury became every day less able to meet them, the Government was on several occasions obliged to have recourse to the firm of Pestonjee Viccajee, who again assisted it in its difficulties, by making the necessary advances, with a stipulation in writing from the Nizam's government, bearing date the 5th of May 1843, in the words following, "That until the liquidation, with interest, of your claims, former and present, agreeably to the signed accounts, the possession of the said districts is confirmed and will be continued to you, of which you may rest satisfied." The last sum that was advanced by the firm was only 5 lacs of rupees, given to the Nizam himself, on his solemn assurance of good will, and on his engagement to repay it in six months.

Just four months after this, towards the end of June, 1845, the Nizam's Government, then indebted to the firm to the extent of about 300,000 *l.* acknowledged by the Government, issued orders to its own troops to wrest the mortgaged districts from the possession of the firm. These orders were in such direct contravention of the aforesaid arrangement and satisfaction, that it may be asked what could have led the Nizam's Government to such outrages and breach of faith pledged to British subjects, through the mediation of the British representative, by an instrument deposited in his residency.

Your petitioners beg to state that the Nizam's Government, instead of assigning any reason for such a breach of faith even assured the British Resident, at the time the orders of violence

violence were issued, by a letter dated 30th June, 1845, that the claims of the firm would be paid in cash by 6 lacs of rupees annually, through the Resident, until they were liquidated, which promise however has never been fulfilled, but has shared the same fate as the mortgage arrangement, and the satisfaction; but your petitioners having every reason to believe that this breach of faith, on the part of the Nizam, emanated from a conviction that a British subject, in consequence of his allegiance to the British Government, could not follow the example of his Highness's own subjects, and enforce justice for himself by taking the law into his own hands.

Your petitioners would here point out how the subjects of the Nizam compel their Government to do them justice. It is a fact well known to the British residents and officers who have resided in the Nizam's country, and of course through their reports to the Government of India, and a fact attested by a letter now in possession of your petitioners from the English officer in command of the contingent troops stationed in the districts, that when the Nizam's Government issues orders to its troops to sequestrate districts held by its own subjects for the liquidation of their claims on the Government, they, the district holders, resist the Nizam's troops by all possible means, maintain possession of their districts, and thus compel the Government to act in conformity to its engagements and agreements. During a period dating from a year previous to the dispossession of your petitioners from their mortgaged districts up to the present time, such instances of the district holders offering open resistance to the Nizam's Government have occurred more than 10 times under the eyes of the British authorities there; a fact which your petitioners are ready to prove, if required.

If these district holders have been able to protect their property against the violence of the Nizam, though their districts were of much less extent in value than those assigned to the firm, and being much less beloved by the inhabitants of those districts than your petitioners' fathers, it is reasonable to suppose that your petitioners, and their fathers, who had the possession of a part of the Berar districts, yielding 13 lacs of Hyderabad rupees, or 110,000 *l.* per annum, and extending from the eastern frontier of the Nizam's territories as far as the western, could (and the fact is so) have maintained possession of the country mortgaged to them in defiance of the illegal orders and violence of the Nizam. But the fact of their being British subjects imposed on them the necessity of submitting to wrong instead of following the example of others by taking the law in their own hands.

Your petitioners' fathers, therefore, as British subjects, appealed to the British Government for protection, by a petition dated the 24th of June 1845, at the very moment the orders of violence were issued by the Nizam's Government at Hyderabad, and handed that petition to the British representative at his Highness's court.

The Resident, before dispatching the petition to the Government of India, considered it his duty to endeavour, in the first place, to prevent the injury and wrong being inflicted on your petitioners and their fathers; and with that view interfered by addressing a letter of remonstrance to the Nizam's Government at the very time the orders of violence were issued, but it had no effect; the Resident, therefore, dispatched the petition to the Government of India for further orders, together with the copies of the correspondence on the subject.

In the meantime the Nizam's troops wrested the possession of the mortgaged districts from your petitioners' fathers by violence and bloodshed, the particulars of which were duly reported by them to the Resident by two letters, dated 2d and 9th August 1845, and by the latter to the Government of India for consideration in continuation of the appeal which they had already made.

Soon after your petitioners and their fathers had thus been unlawfully and forcibly dispossessed of the districts formally transferred to them, as security for the advances made by them to the Nizam's Government, and after having had their servants remorselessly murdered (no pretext for such violence and cruelty having been afforded by resistance on their part to the troops of the Nizam), your petitioners and their fathers had the disappointment of receiving a letter on the 9th of August 1845, in reply to their aforesaid petition, refusing all protection or interference on the part of the British Government.

Your petitioners humbly implore your Honourable House to consider the ruinous consequences to them of this refusal on the part of the Indian Government to extend to them that protection which they humbly ventured to think they were, as British subjects, entitled to demand, and they would hope not the less so from the confidence and reliance they had always placed in the disposition, no less than in the power, of the British Government to protect all its subjects from acknowledged injury and wrong; and the consequent determination of your petitioners, as well as their fathers, to abstain from those means of obtaining redress for themselves which would have been sanctioned by the lawless practices and customs of the Nizam's dominions, but which would have been plainly at variance with their duty and allegiance as subjects of the English Crown.

Since that period, namely, June 1845, up to the present time, namely, June 1853, your petitioners, as well as their fathers and their creditors, being British subjects, have incessantly submitted their wrongs and claims to the consideration of the British Government, both in India and in England, at the several times hereinafter stated:

1. Petition to the Government of India from the Hyderabad firm of Pestonjee Viccajee, dated 24th June 1845.

2. Ditto to ditto, from the Bombay firm of Viccajee Merjee, dated 7th July 1845.

3. Ditto to the Government of Bombay from ditto, ditto, ditto, submitting the above petitioners

Appendix, No. 3.

tion of the 7th July 1845, for transmission to the Government of India, with a recommendation on behalf of the petitioners.

4. Ditto to the Government of India from the Hyderabad firm of Pestonjee Viccajee, dated 4th March 1848.

5. Ditto to ditto from ditto, dated 11th May 1848.

6. Ditto to ditto from the Bombay creditors of the firm of Viccajee Merjee, dated 13th March 1848.

7. Ditto to the Government of Bombay from ditto, dated 28th February 1848.

8. Ditto to the Government of India from the creditors of the firm of the Calcutta branch, dated 15th March 1848.

9. Memorial to the Court of Directors from the Hyderabad firm of Pestonjee Viccajee, dated 9th November 1850, submitted through the Government of India.

10. Memorial to the Court of Directors from the creditors of Viccajee Merjee and Pestonjee Merjee, made on their behalf by their trustees, dated Bombay, 29th October 1850, submitted through the Government of India.

11. A brief statement of facts laid before the Court of Directors by a letter dated London, 23d April 1851, from Jevanjee Pestonjee and Rustomjee Viccajee.

12. Petition to the Government of India from the firm of Pestonjee Viccajee, submitted by their agents in Calcutta, dated 18th February 1852.

13. Ditto to ditto from ditto, dated 26th May 1852.

14. Memorial to the President of the Board of Control from the firm of Pestonjee Viccajee, submitted by their agents in London, accompanied with a case dated 21st March 1853.

15. Letter to the President of the Board of Control from Jevanjee Pestonjee and Rustomjee Viccajee, dated 9th June 1853.

Nevertheless, your petitioners, as well as their fathers and their creditors, have unhappily hitherto failed in getting redress. No reason whatever is given by the President of the Board of Control for denial of protection to British subjects in India, as prayed by your petitioners in their memorial to him. But your petitioners believe that the argument which the Court of Directors urge is, that they have laid down a principle of non-interference in native states in India, lest the interference of the irresistible power of the British in the weak state of the Nizam may be supposed to give the force of dictation to their representations. Your petitioners however humbly submit to Your Honourable House that whereas in their case a very weak power has committed a very grievous wrong with perfect impunity, to which their duty as British subjects has compelled them to submit without resistance, it follows conclusively that if the policy adopted by the authorities in India shall be maintained, the consequence of being a subject of the British Crown in India must be, that such subject must either desist from all transactions with the government of a native or foreign state, or must consent to the unresisting victim of the violence or oppression practised upon him.

Your petitioners beg the attention of your Honourable House to a principle adopted by one of the most distinguished men whom India has ever produced, namely, Lord Metcalfe, who held the office of British Resident at the court at Hyderabad, and with whose views and opinions none of the authorities of his time, either in India or in England, were known to differ. Lord Metcalfe, when resident at Hyderabad, wrote in a despatch, dated 31st August 1822, to the Government of India as follows: "I suppose our interference in his Highness's affairs to be not merely a right, but a duty arising out of our supremacy in India, which imposes upon us the obligation of maintaining the tranquillity of all countries connected with us, and consequently of protecting the people from oppression, as no less necessary than the guaranteeing their rulers against revolution." "Interference in the internal concerns of states under our protection is neither desirable nor generous when it can be avoided, and should only then be resorted to when it is clearly necessary for the preservation of the people from the misery and destruction which must ever attend oppression and misrule." "In every case where we support the ruling power, but more especially in such a case as that last described (supporting the minister of the Nizam) we become responsible in a great measure for the acts of the Government, and if they are hurtful to the people, we aid in inflicting the injury." Your Honourable House will further observe, that the Court of Directors, in their despatch to the Government of India, dated 21st January 1824, have issued instructions in the words following: "We agree with Sir Charles Metcalfe, that 'a system of non-interference, founded on regard to the rights of an independent sovereign, if practicable under the circumstances of our intimate connexion with the Nizam's government, would have great and decided advantages, and is that which we ought to endeavour to establish, provided always that the irresistible strength which our protection affords to the Government be not converted to the oppression of the people.' The concluding consideration in the foregoing passage is most important, and constitututes in our mind the strongest objection against our withdrawing from all interference in the concerns of a Government which we are bound by treaty to protect, however tyrannical and oppressive may be its proceedings." Such was the policy of the authorities in India and in England, based upon sound, moderate, and just principles, while Lord Metcalfe was in India; and your petitioners

petitioners do not hesitate to state the subsequent deviation by the Court of Directors from the very principle laid down by a statesman of great experience and undoubted ability in the organisation of Indian politics, and adopted by the authorities of his time in India and in England, has been the very direct and immediate cause of anarchy, oppression, and tyranny over millions of human beings in that country, whose only refuge, when intolerably oppressed, is in emigration or insurrection, the former of which they sometimes adopt with the greatest pain, and the latter of which they could not and dare not have recourse to, whilst their sovereign and his government are supported by the irresistible power of the British. It is clear that the experience and knowledge of that great and good man Lord Metcalfe, acquired and formed upon the spot, as well as that of those that concurred with him, have had no weight with the authorities, situate at so great a distance, who have latterly laid down the principle of non-interference even in cases of the utmost hardship, such as that of your petitioners. However this principle may be defended as a general rule, it will be found, if invariably carried out, to be based on unwise and unjust presumptions, and to sanction indirectly acts of oppression and of wrong, utterly repugnant to the spirit and practice of English government.

It may be said that, as your petitioners and their fathers hazarded their fortunes in a foreign state, they must run the risk and abide by the consequences arising therefrom. Your petitioners humbly beg to assure your Honourable House that nothing but the invariable internal policy of the English in India, which deprived them from having any share in the government of their own country, as enjoyed by their ancestors, induced them to leave their native land, the Bombay Presidency, and hazard their fortunes in a foreign state; that there your petitioners did not give loans on mere drafts upon revenues, but solely upon the security and possession of certain landed property; and if when there, while your petitioners are under the duty of allegiance to the British Government, at the same time they are denied protection in return for that allegiance, for the sake of the external policy now laid down by the Court of Directors, the condition of the natives of India under the British rule could not be better, but would be worse, than slavery elsewhere, which the English Government have so long endeavoured to abolish.

Your petitioners need not remark how much more in this case the interests of the rulers of British India have been thought of than their duty in respect to the subjects under their rule. The duty of allegiance is enforced against British subjects by their rulers; instead, however, of giving them protection in return, the rulers of British India, in 1851, did actually enforce from the Nizam, by means of intimidation and threat of confiscation of his territory, a payment in cash of about 323,000 *l.* on account of the debt due to them by the Nizam, a debt incurred for a purpose similar to that of the claims of your petitioners, viz., the pay of the British contingent; and thus, in preference to fulfilling the most solemn duty imposed on every State, and which binds it to its subjects in consideration of their allegiance, the British Government paid themselves. Not only so, but the last mail from India, which left Bombay on the 23d of May 1853, has brought intelligence which exhibits the conduct of the rulers of British India towards their subjects in a still more striking light. It is to the effect that, in lieu of the arrears and claims in full for the pay of the British contingent, the Governor-general has demanded from the Nizam (to which demand his Highness has acceded) a perpetual cession of that part of his territories, viz., the Berar Valley, which includes nearly two-thirds of the districts mortgaged by the Nizam's goverment to your petitioners' fathers. These districts were placed in their uncontrolled possession; upon them they gave loans to his Highness; and when they were deprived of them by violence, your petitioners and their fathers, as British subjects, have incessantly appealed to the British Government in India and in England for restitution and redress. That Government, being fully and minutely acquainted with all the facts of this remarkable case, has deliberately thought it just and proper to pursue the course of paying themselves, by the seizure of the property mortgaged to its own subjects: a course which would have been impossible had it not been for the irresistible power vested in the hands of the rulers of British India by the British Crown and Legislature, but who are by their constitution responsible for the ill use of that power.

If anything could add to the sense of injustice under which your petitioners, as well as their fathers and creditors, are now labouring, it would be found in the fact that the advances in exchange for which they received security by a mortgage on the districts in question were almost entirely required for and spent in the payment of the British troops, as the bills now in the hands of the firm signed by the officers in command prove beyond dispute. This money was advanced at a most critical period before the war in Affghanistan, and during that war. The refusal of the advance by the firm of Pestonjee Viccajee would, beyond all doubt, have provoked a mutiny, and the consequences of that mutiny would have been most serious and full of danger to British interests; and now the East India Company, whose troops have been paid by the money advanced by Pestonjee Viccajee, has taken possession of a large portion of the district mortgaged to Pestonjee Viccajee for the repayment of those advances, and refuses to pay any portion of the debt secured upon those very districts.

These are the facts which are submitted to the mature and deliberate consideration of your Honourable House, and which will be found to prove—

First. That your petitioners and their fathers are acknowledged subjects of the British Crown in India, and therefore bound by the duty of allegiance to the British Government.

Secondly. That they are denied protection, and that the property mortgaged to them, after

Appendix, No. 3.

being plundered by the Nizam, is arbitrarily taken possession of by the British Government in payment of their own claims. To preserve the rights and property of your petitioners inviolate they should either receive protection from those who claim their allegiance, or they should be allowed to protect themselves. Your petitioners are confident that they could do so by following the example of the subjects of the Nizam. But, before taking the law into their own hands, your petitioners, as loyal subjects of the British Crown, consider themselves in duty bound to have the question of their allegiance settled; and they desire, as a bare act of justice, to be informed whether they can proceed to enforce their own claims on the Nizam (and if necessary by violent means) without being guilty of a misdemeanour, and being liable to punishment for violation of the law. If your petitioners follow the example of the Nizam's subjects it may excite revolt, and it may possibly disturb the peace and tranquillity of the neighbouring British provinces; for when hostilities once begin no one knows where they will end.

Your petitioners are therefore unhappily constrained to their last extremity to lay their humble petition for assistance and redress before your Honourable House, and to pray that, if the British Government have a right to claim the allegiance of your petitioners and their fathers to their laws, they should reinstate your petitioners as well as their fathers in possession of the districts solemnly pledged and assigned to them, with all the rights as were vested in them at the time when the Nizam, by violence and a military force, dispossessed them; or that the British Government should allow your petitioners and their fathers to follow the example of others in taking the law into their own hands, and that the British Government should not interfere in the matter whilst your petitioners and their fathers thus seek redress for wrongs, and attempt to repair the injuries done them.

And your petitioners humbly pray for such further assistance and redress as your Honourable House may think fit to grant.

And your petitioners, as in duty bound, will ever pray.

Jevanjee Pestonjee,
and
Rustomjee Viccajee.

12, Cambridge Terrace, Hyde Park, London,
5 July 1853.

The humble PETITION of the *Madras* Native Association, and others Native Inhabitants of the Presidency of *Madras*.

Showeth,

1. THAT your petitioners, having read * * * * * in the "Times" and other English newspapers, that Her Majesty's Ministry considers most of the subjects of their petition would be more properly left for the action of the local government, your petitioners beg to represent that the revenue system, against which your petitioners have stated their strongest objections, was called into operation in consequence of the Fifth Report from the Select Committee on the Affairs of the East India Company, dated the 28th July 1812, and printed by Order of your Honourable House, which states at pages 123, 124—

"It appears to the Committee, from the examinations which they have made into the effects of the ryotwar principle of settlement throughout the modern possessions of the Company under the Madras presidency, that it has greatly improved the situation of the cultivator by limiting the bounds of the public assessment, and adjusting the actual demand on each person subject to such assessment according to his ability to satisfy it, by relieving him from the oppressive exactions of the native revenue officers, and securing him in the protection of his property and rights. So favourable a change in their condition has necessarily excited a confidence among the ryots in the equity and justice of the Company's government, and this confidence has derived material strength from having periodically and frequently opened to them a ready and direct channel of communication and intercourse with the immediate representatives of Government, on all matters connected with their interests and grievances, which has had the effect of binding them, as it were, to it, and of rendering them the real instead of nominal subjects of the Company; while the natural consequences have been that the ryots have received a new incentive to industry, cultivation has been gradually extended, by which an augmentation of the public revenue has been yielded without an increase of assessment."

2. That this favourable opinion respecting the ryotwar was given at an early period of its trial on a small scale; and it appears, from the preceding paragraph of the Report, to have been derived from the opinion of three or four collectors who had been instrumental to the introduction of the experiment, among whom was Sir Thomas Munro; but eight years afterwards, during which it had continued on an increasing scale, and in a modified or improved form, called field ryotwar, when Sir Thomas came out as Governor of Madras, he found it absolutely necessary, as stated in your petitioners' former petition, to reduce the amount of the assessment in the district in which ryotwar pressed lightest on the people, namely, the Ceded Districts, 25 per cent. on dry and wet lands, and 33 per cent. on garden lands. Sir Thomas died in India in the year 1827, at which period it was found that the public revenue from the land had then decreased to 42½ lacs, from a revenue of 57 lacs in the year 1807; a convincing proof that the new system up to that date had been a failure.

3. That your petitioners have not the means of knowing the present revenue arising from the ryotwar, but they know that under its operation the ryots have been reduced to poverty and

and wretchedness; and your petitioners pray that, as the Parliament has been the author of it, or that at least it has been established by its sanction, although in opposition to the opinion and wishes of the local authorities, who declared it to be contrary to the ancient national institutions, and unsuited to the condition and genius of the people, the same authority may now be the instrument of its abolition; not by acting upon the evidence of the Company's servants taken in England, but by instituting a full and impartial inquiry into its merits and demerits on the spot where it is in operation, and among and from the people who are suffering under its withering oppression.

4. That your petitioners are convinced that by no other mode will your Honourable House be able to form a just and clear judgment on the question so momentous to the native subjects of the Crown in the Presidency of Madras; for, without reference in this place to the bias from which the servants of the Company cannot be supposed to free themselves, when speaking as to the effects of the favourite system of their employers, and which they have contributed to enforce and maintain, your petitioners will advert to a particular instance of misinformation given by a gentleman, who, without being suspected of bias, has given positive evidence, the contrary of fact, before the Committee of the Right Honourable the House of Lords.

5. That the gentleman alluded to is Mr. Charles Hay Cameron, formerly the fourth or law member of the Council of India. This gentleman having been interrogated by the Committee which sat during the course of last year, regarding the *lex loci* of 1845, framed, as your petitioners have reason to believe, by himself, and having admitted the receipt of a remonstrance against it from the Hindus of Madras, and Mr. Secretary Bushby's reply, is asked:

" No. 2098. What was the end of it?

" The law was not passed then, but it has been passed since.

" No. 2099. Was any reply made on the part of the remonstrants to the paper which you have read?

" No reply; I believe the justice of the doctrine was acquiesced in."

And in a subsequent examination the same gentleman is asked:

" No. 2359. Was there any reply received from the petitioners after that document (Mr. Secretary Bushby's letter of the 24 May 1845) had been communicated to them?

" There was no reply received: there was another remonstrance of the same kind from some Hindoos at Calcutta, in reply to which we enclosed the answer that we had previously sent to the Madras Hindoos, stating that that contained our principles on the subject.

" No. 2363. After the passing of the *lex loci* had been suspended, in the manner which you have described on a former occasion, at what period was the subsequent law of the three articles introduced, proposing to re-enact those provisions with respect to the property of Christian converts?

" Legislative consultations of the 2 August 1845, I find to be the marginal note on the draft made by me.

" No. 2364. Are you aware of any remonstrance, analogous to that from Madras which had been previously addressed to the Government, having been repeated when those clauses were proposed as a separate measure?

" I have no recollection of any such remonstrance; I never heard of any after the two I have mentioned."

6. That Mr. Cameron had no intention to mislead the Select Committee of the House of Lords is clear, from his reply to question

" No. 2366. Your evidence as to the appeal against the clauses applied to what occurred during your own stay in India?

" To what occurred during my own stay in India."

But, as the fact of silence on the part of the Madras Hindus seems to be implied by another evidence, Sir Herbert Maddock, who, when stating in answer to No. 2,239, that a remonstrance was made to Mr. Bushby's reply, points out, No. 2241, that it was from the Hindu inhabitants of Bengal, Behar, and Orissa, the inference left on the minds of the Committee, your petitioners apprehend, must have been that the Madras memorialists acquiesced in the justice of the doctrines, as stated by Mr. Cameron; and, as such an inference is not warranted from the facts of the case, your petitioners deem it of consequence to explain the circumstances as they actually occurred.

That no reply was sent to Mr. Bushby's letter from the Hindus of Madras during Mr. Cameron's residence in this country is undoubtedly correct; but as soon as the draft of the Act of Three Articles was promulgated in the Fort of St. George Gazette, at this presidency, in November 1849, a remonstrance was immediately forwarded against it to the Supreme Government, regarding which Mr. Bethune, who had succeeded to council as law member, observes, " a great part of it is taken up with an elaborate argument in reply to Mr. Bushby's answer to the memorial of 1845." This remonstrance was printed along with other papers by order of your Honourable House on the 7th May 1851; and your petitioners beg to state that neither they, nor the remonstrants, nor the Madras Hindu community, have ever acquiesced in the doctrines laid down by Mr. Bushby; but, on the

Appendix, No. 3. contrary, they consider the legislation on the *lex loci* to be a direct infringement of the civil rights, and a positive violation of the Act of the Imperial Parliament, 21 Geo. 3, c. 70, ss. 17 and 18, as well as of the 53rd section of the present Charter Act.

8. That your petitioners allude to this circumstance chiefly to show the manifest uncertainty of the evidence taken before the Parliamentary Committees; and, as the witnesses examined, without a single exception, are persons who have received, or are still in the receipt of, benefits from the East India Company, your petitioners are compelled to believe that the actual state of things cannot be correctly ascertained without sufficient evidence being admitted on both sides of the several questions which have to be determined; and your petitioners, therefore, humbly represent that nothing but a full and impartial investigation in this country, accessible to the complainants as well as to the defendants, can place before your Honourable House the real state of India, and the existence of the many and heavy grievances of which they have complained as regards the presidency of Madras; they therefore respectfully request that a Royal Commission may be appointed, before which they may have the opportunity of substantiating the facts advanced in their former petition.

9. That your petitioners beg to represent that an Indian Commission is not altogether a novelty, there being a precedent in the one appointed in the year 1814, of which Sir Thomas Munro was the head, for the purpose of inquiring into and amending the judicial system then obtaining at this presidency; but, as not only the judicial system, but likewise that of the revenue, as also the various other complaints preferred by your petitioners, imperatively demand investigation at this critical period, your petitioners pray that the Commission they now seek may be constituted upon the widest practicable basis, to the end that the inquiry may be searching, impartial, and complete, and that no permanent legislation for India may be undertaken until the fullest information possible shall have been laid before and fully discussed by the Imperial Parliament of the United Kingdom.

10. That your petitioners have already requested the continuance of the councils at the minor presidencies, and they now respectfully reiterate their prayer to have them constituted on the precedent of the council on the island of Ceylon, in which your petitioners' countrymen have enjoyed seats for a series of years; and, as your petitioners understand that constitutions have been, or are on the eve of being, granted to the settlements of the Cape of Good Hope and New Zealand, admitting the natives there to the same electoral and municipal privileges as the European colonists, they humbly and anxiously trust that your Honourable House will not deem the barbarians of the former, and the cannibals of the latter colony more deserving or more fitting to be entrusted with a share in the management of their own affairs, than the inhabitants of a country which for scores of centuries has been renowned throughout the world for its civilisation, literature, and commerce, and which had its own sovereigns, governments, and codes of law, long before the English nation had a name in history.

11. That, while your petitioners acknowledge and have asked for the advantage of a reconstruction and improvement of the home and local administration of India, yet that alone will be of no avail to redress the grievances and reform the abuses of the local governments, so long as they are composed of two or three Company's officials, legislating in the utmost secrecy, and concealing with the most assiduous carefulness the whole of their transactions, secure not only from all check, but from the least shadow of knowledge on the part of the people, whose interests are unfortunately considered of not the slightest consequence to the Government whose duty it is to legislate for their sole benefit.

12. That your petitioners will consider themselves and their community deeply humiliated and deeply aggrieved, if, after the open acknowledgments of persons high in office in this country and in England, that they are as capable to hold responsible employments as the members of the now exclusive civil service; that they are their equals on the bench, and successful competitors in the study of European arts, science, and literature, they are longer shut out from the offices for which they are confessedly qualified, while the savage Hottentot and New Zealander are preferred before them.

13. That your petitioners finally conclude with the expression of their earnest hope and prayer that sufficient time may be granted for a thorough inquiry into all points affecting the welfare of this country, as distributed under the eight heads laid down by the Committee of your Honourable House; that the local councils may be retained, and modelled upon the constitutional principle before adverted to; and that a Royal Commission, composed of Europeans and natives conjointly, chosen partly in Europe and partly in India, may be issued, to enter upon and complete the necessary investigation in this country.

And your petitioners, as in duty bound, shall ever pray, &c.

T. Auroomoogavy.
V. Somasoondram.
S. Namasevogum.
&c. &c. &c.

Madras, 21 May 1853.

To the Honourable the Commons of *Great Britain* and *Ireland* in Parliament assembled.

Appendix, No. 3.

The PETITION of Dr. *George Buist*, Editor of "Bombay Times," Secretary to the Geographical Society, founder and superintendent of the School of Industry, late Sheriff of *Bombay*, and formerly in charge of the Astronomical, Meteorological and Magnetic Observatories of the East India Company at *Bombay*; formerly Secretary to the Agricultural Society of *Western India*, and in charge of their Experimental Gardens,

Showeth,

THAT your petitioner has been close on 20 years connected as editor with the newspaper press; for a third of that period as editor and proprietor; having for nearly eight years conducted, with credit and success, newspapers in the central counties of Scotland, Forfar, Perth and Fyfe, and for more than 12 been editor; and for six, editor and principal proprietor of the oldest and most extensively circulated journal in Western India, the "Bombay Times;" and that for the whole of this long period he has had constant occasion to study most carefully newspapers from nearly all parts of the world; those of London in particular, to some of which he has been a large and highly-paid contributor, having occupied his closest attention.

That the "Bombay Times," one of three daily papers published at the presidency, was brought into existence in 1838, shortly after the passing of the Charter Act (1834), and the removal of the disabilities of the press by Lord Metcalfe (1835); and with the express view of advocating public improvement, and devoting itself to the interests of the country, to the discussion of the views and policy of Government, and the examination and diffusion of those opinions, facts and doctrines, the circumstances of the occasion and exigencies and prospects of the period rendered expedient, with the cordial approval of Sir Robert Grant, the Governor of the time, and countenance and support of the most distinguished servants of Government. Its projectors and proprietors comprised amongst them 11 of the principal European houses in Bombay; the oldest and most distinguished native merchant; two of the most eminent barristers before the Supreme Court, and the most distinguished private medical practitioner in Western India. That they selected as their editor Dr. Brennan, a lecturer of eminence on anatomy, in Dublin, whose health rendered a warm climate desirable, and who, on his arrival at Bombay, was elected to the then responsible office of secretary to the Chamber of Commerce, besides being editor of the "Times."

That the proprietors of the "Courier," the principal paper in Bombay up to 1838, and long the recognised organ of Government, were equally eminent as those of the "Bombay Times;" and that the paper had engaged from time to time the services as editors of many of the most talented servants of Government.

That the first editor of the "Bombay Times," Dr. Brennan, having died in 1839, the paper was for a time conducted by Professor Henderson, of the Elphinstone College, a servant of Government; afterwards by Dr. Knight, at present Residency Surgeon, Khota, and of the Bengal Medical Service; and that your petitioner having been selected, from the eminence he had attained as a provincial journalist in Scotland, to the editorship of the "Bombay Times," entered on his duties in May 1840, and has continued to conduct the paper ever since, with the highest approbation of his employers, on the principles on which it was originally started.

From the constant fluctuations in the mercantile community in Bombay, numerous changes in the proprietary have from time to time taken place; and the "Times" having always yielded, as it continues to yield, from 30 to 40 per cent. of dividends annually on the amount originally invested, a number of the most distinguished servants of Government became proprietors soon after the promulgation of the permission of the Court of Directors for its civil and military servants to connect themselves with the press. In 1847, the principal proprietors, after your petitioner, were the Puisne Judge of the Sudder Adawlut, the Collector of Customs, the Deputy Quarter-master-general, now Quarter-master-general of the Bombay army, the Secretary to the Medical Board, afterwards Physician-general, and the Medical Storekeeper, now Superintending Surgeon at the Presidency; and, with two exceptions, one from retirement from the service, and the other from promotion, these gentlemen still continue principal proprietors of the paper.

That your petitioner has not only devoted the columns of the "Bombay Times" to the advancement of good government, to the spread of education, of improvement, and economy, to the denunciation of those bloody and superfluous wars which, within these 12 years, have cost us 30 millions sterling, and that policy which, under the name of expediency, disregards the principles of truth and justice, and sets up a standard of morals for statesmen opposed to the principles of Christianity, and the evils of which to our name and character, as Wellington has so well remarked, cannot be compensated by the most brilliant victories; but has, as far as circumstances permitted, endeavoured, in his private capacity, to promote the improvements he, as an editor, recommended: a circumstance to which numerous letters of acknowledgment received from Government bear ample testimony.

Under these circumstances, it is with much surprise, mortification, and chagrin, that your petitioner has seen it stated in the evidence laid before the Committee of your Honourable House, that the newspapers in India, with the exception of a Bengal journal, called "The Friend

Appendix, No. 3.

Friend of India," are uniformly and universally hostile to the Government, and are continually engaged in impugning and slandering its proceedings; and that though they admit of corrections, when made to them, still their tendency is that of unceasing and continual hostility to the authorities.

That so far is this from being the fact in the case of your petitioner, that he has been frequently charged by his brethren with being the organ of the local Government; and in the majority of cases coming under discusion, his views and those of the Government have coincided with each other. That being averse to needless aggression and uncalled-for war, he was opposed to the general policy of the Government from 1840 to 1845; that since then he has been a warm supporter and ardent admirer of the proceedings of the Governor-general of India almost throughout. Your petitioner was at one with the Bombay Government in the deposition of the Rajah of Sattara; in their views of the war of Affghanistan, and on the conquest of Scinde, in their views of the conduct of the Nuffoosh Commission; the Court of Directors having in 1851 expressed themselves in nearly the same terms as were used by your petitioner on the subject in the previous year. That your petitioner highly applauded the revenue arrangements of Government; their anxiety to promote improvements in the culture of cotton; their desire to advance native education by conferring Government appointments on the most distinguished of the native scholars, and the employment of natives more extensively than before in the public service; in their appointments of the residents at Sattara and Baroda, and the Commissioner in Scinde, and in the great majority of other arrangements: an evidence at once, it is hoped, of the merits of the Government, and the independence and soundness of the views of your petitioner.

Your petitioner, at the commencement of his editorial career, strongly condemned the existing state of the Post-office arrangements, and in recommending their improvement, collected, with great labour and care, and published, a vast mass of steam and mail statistics which he found scattered about in a hundred different quarters, and which your petitioner, for the first time, put into a convenient and popular form; and the desired changes were, in a great measure, brought about in the course of two years. That your petitioner in 1840 condemned the arrangements then made for the reception of sick soldiers from Aden, and a general order was a few weeks afterwards issued securing the remedies suggested. That your petitioner was opposed to the Government in the late discussions on Baroda matters, but had a very large number of the Court of Directors on his side; and, but for the principle of supporting the authorities, would most likely have had them all of his opinion. That your petitioner has been all along hostile to the existence of sinecure sheriffships, and the appointment has accordingly been abolished. That in 1849 your petitioner pointed out the enormous sums expended in the Affghan war, and the derangement of our commercial relations, which the transmission of so much specie into a country from which it would not for many years return, must occasion; and the views of your petitioner were fully borne out by the state into which the finances of India had been brought in 1841, when the Honourable Mr. Bird, then President in Council, stated to Sir Henry Willock that the shutting of the treasury in September had been contemplated; by the statement made by the late Sir Robert Peel, in assigning this as one of the reasons for the imposition of the Income Tax, and by the accounts of the Honourable East India Company, since then published; and that, in like manner, in the great majority of occasions in which your petitioner has chanced to be opposed to some one division of the authorities, his views have been borne out by the others, and have been afterwards shown to be in consonance with fact. He considered the annexation of the Punjaub unwise and unjustifiable in 1846, and it was left in the hands of the Sikhs; and he deemed its annexation inevitable in 1848, and in 1849 it was annexed.

That your petitioner has observed that, in the examination of Mr. John Stuart Mill, of the India House, before the Committee of the House of Lords, it is insinuated that the press of India is inferior to that of England in its tone: that in England the tone of newspaper writing is in general superior to that of ordinary conversation; that in India it is the reverse to such an extent, that a most erroneous view of English society would be taken were it judged of by the press; that newspapers in India are of very little use to Government, unless in promoting inquiry; that the English newspaper press in India is only the organ of English society, chiefly of the part of it unconnected with Government, and has little to do with natives or the interests of the country.

The groundlessness of the last of these imputations will be apparent, when it is recollected that there are seven daily and 20 or 30 tri-weekly or bi-weekly newspapers in India, and that there are not as many Europeans in the country altogether, not connected with Government, as could provide subscribers or supply intelligence for a single daily newspaper.

That in point of fact, a large number of the newspapers are principally or wholly the property of servants of Government, and are conducted by retired invalid officers from the Queen's or Company's army. That your petitioner is prepared to prove, what must be well known to many Members of your Honourable House, who have long been readers of the "Bombay Times," that however inferior the best of the newspapers of India may be to those at home in point of talent, that in point of propriety of expression and decorum of language, and in point of amount of space devoted by them to important subjects of discussion, or in point of the magnitude and importance of these as bearing on the interests of the country, they are second to no newspapers in existence.

Setting

Appendix, No. 3.

Setting aside the space required for advertising, for military and shipping lists, general orders, and prices current, a full third part of the area of the journals of India is occupied by extracts from the very best home publications, from the Edinburgh, Quarterly, North British and Westminster Reviews; from Blackwood's, Fraser's, Tait's, and other magazines; from the Athenæum, Literary Gazette, Chambers' and Hogg's publications, together with carefully selected extracts from the very best of the London daily and weekly newspapers; that fact of papers being got up at home once a fortnight expressly for the use of subscribers in India, relieving the Indian newspapers of the Parliamentary and other reports, which often occupy so unprofitably so large a portion of the journals at home, affords room for selections they could not otherwise command; that so far from directing less space to the cause of good government, the spread of education and public improvement than is devoted to these subjects by the papers at home, they devoted a vast deal more of dealing with statistics, agriculture, police, municipal, sanitary, commercial, and other such like matters bearing directly on the improvement of the country, and welfare of the people is to be considered such where party politics are things unknown, rather than the political controversies and factious disputes and abuse from which their columns are exempt. That by means, such as those now related, a vast quantity of valuable and interesting information, much of it gathered from printed public documents, but transmuted into a condensed, popular, and readable form, is diffused amongst the members of the service, and more intelligent of the native community; the former of whom are, in India, very apt to lose habits of reading altogether; the latter of whom require still in a great measure to acquire them; both turning to the local newspapers as the chief sources of supply.

That it is difficult to define what the precise tone of conversation is amongst the reading classes either in England or in India, and therefore impossible to compare the one with the other, or to ascertain the precise relation the tone of newspaper speculation bears to that of conversation in the one country or in the other; but your petitioner has already shown that the newspapers in India are in no respect, save talent and magnitude, behind their English brethren; the chief imperfection with which they are chargeable being due to those enormous postage charges imposed upon them, and the limited size to which they are restricted, these two combining to induce them to concentrate more of their attention on, and devote more of their space to, local incidents of little general importance than they otherwise would do. That they are not even in this respect behind the spirit of the age, may be judged of from the recommendation of the report of the Post-office Commissioners, now under the consideration of Government, to the effect, that such an additional postage be imposed on newspapers imported from England as virtually to exclude them from all parts of India but the presidencies.

That not only is the newspaper press of India at least equal in its tone to that of England, but it is a vast way superior to it, and in general to the statesmen of the day, in the possession of important and accurate information, as will presently appear. On the 23d of June 1842, Sir John Hobhouse stated in the House of Commons, in opposition to the motion of Mr. Bailey for the production of the papers, in an unmutilated form, on which the Affghan war was grounded, that Lord Palmerston and his colleagues considered the explanations of Count Nesselrode in reference to the proceedings of Russia in connexion with the affairs of Herat satisfactory, because they were carried into effect, and Count Simonech and Lieutenant Vicovick were recalled. According to the official despatches, published by Parliament, the satisfaction to the Russian Cabinet here referred to was intimated to Count Nesselrode under date 1st November 1838, the recall having first been made known on the 5th of March 1839; a discrepancy duly exposed at the time by your petitioner. About the same time, Lord Fitzgerald and De Vesci, the President of the Board of Control, affirmed that his predecessors had not unfairly garbled the Blue Book of 1839; the papers of Sir Alexander Burnes, having been published entire by your petitioner, by desire of the relatives of that lamented officer, show, as is now universally admitted, instances of garbling such as find no parallel in history. In June 1841, Lord Palmerston, in addressing the electors at Tiverton, described the whole of Affghanistan as in a state of such unexampled tranquillity, that an unarmed Englishman might ride as safely through the midst of its wilds as he could have ridden from Tiverton to John o'Groat's house, the name of a British officer being a passport everywhere. That at this very time your petitioner had published an enumeration of 33 actions, in 13 of which our troops had been unsuccessful, which had taken place within the preceding twelvemonth; and the Board of Control, of which the Noble Lord was a member, must have had in their hands documents giving accounts of Shelton's operations in the Nagian Valley; the general discontents in Kohistan, the three separate expeditions of Farrington and Woodburn in the Helmund; the preparations for Griffin's expedition; the Nooskey expedition, the unhappy affair of Kojjuch, the general movements of troops on Scinde and Shawl, with the universal marching and counter-marching of detachments throughout the country, occupied as we then were in five simultaneous or immediately consecutive campaigns around Jellalabad, Khelati Ghilzie, Ghirisk, Moorstong, and the Sebee country. In the "Overland Times," for July 1841, estimates of the expenses of the Affghan War up to that date was published by your petitioners, so closely approaching the statements afterwards given from official authority, by Sir Henry Willock and Sir Robert Peel, as to show the close approaches that could be made to truth by those who earnestly sought after it; and, from these and other inquiries, your petitioner came to the conclusion which he published about the period referred to, that to maintain the Dooranee alliance was next to impossible; the attempt to maintain ourselves in Affghanistan a folly, which could not but issue in the most frightful disasters. Had the warnings he then gave

Appendix, No. 3.

been attended to in time, the events of Cabool, which six months afterwards justified the soundness of his views, might have been avoided, and the darkest chapter in our history left unwritten. In 1842 Lord Palmerston taunted Sir Robert Peel with the supposed intentions of the Ministry to abandon the Dooranee alliance, and retire from Affghanistan, in obvious ignorance of the resolution come to by Lord Auckland, on the 3d of December 1841, and then known to the Board of Control, that, in the event of the loss of Cabool, no attempt should be made to renew the occupation of Affghanistan. That in 1843, your petitioner, who had been one of the most ardent admirers of Lord Ellenborough while he professed nothing but peace and improvement, and of Sir Charles Napier before he attacked the Ameers, pointed out the monstrous injustice of our invasion of Scinde. He prepared an estimate, now fully justified by fact, that it could not be maintained with less than an augmentation of 8,000 men; and accordingly, betwixt 1843 and 1841, the Bombay army was increased by 13,605, from 51,694 to 65,299; the latter number not being likely hereafterwards to be diminished; even now Aden is garrisoned by Madras troops. At the same time he estimated the annual expense, it must impose upon us at about half-a-million sterling, thus falling about a third or fourth short of fact. That at both these periods the journals at home, and leading speakers of the time, seemed in extasies with the imagined wisdom that had been displayed, and the rare good fortune that had attended it; when in reality our misconduct was drawing down upon ourselves the heaviest calamities that could have befallen us. All these things are now matter of history, as much beyond the reach of remedy as of dispute. Had the press or the politicians of England examined or believed the statements then set forth by your petitioner, and all since fully verified, the blot which Scinde throws upon our good name might have been obliterated, and the disgrace and mischief it has occasioned us avoided.

That shortly after the liberation of the press, Lord Auckland most wisely expressed his anxiety to encourage the servants of Governments to connect themselves with the newspapers, and that Government should afford journalists all the information that could be given them under the secret system insisted on from home; desiring thereby to increase the predispositions that he knew must exist to speak favourably of Government when present or former Government servants were the speakers, and those still in Government employment the listeners. In March 1842, and August 1843, all this was put an end to by the order of Lord Ellenborough; and the Court of Directors, who were understood to have disapproved of nearly every other measure under his Lordship's administration, have permitted the most objectionable of them all to pass uncensured.

That from the time the measure of Governor Metcalfe deprived Government of the power of deporting editors for reprinting the Reports of Parliament, or articles of intelligence of the home newspapers, and of indulging, as they did most freely, in persecutions of the press, scarcely surpassed by those of France of the present date, there seems to have been a constant disposition to injure, by slander, those who could not be reached by law; Lord Auckland and those around him proving honourable exceptions.

That on the 12th of February 1841, Mr. Hume called the attention of the House of Commons to certain obnoxious statements made by correspondents in the "Agra Akbar and Bombay Times," in reference to the death of a trooper of the 2nd Bengal Cavalry, said to have been shot in a corn-field near Ghuznee in July 1839, while supposed marauding, in reference to which the conduct of Lord Keane was severely blamed. The Chairman of the Board of Control, then bringing forward a motion for a pension of 2,000 *l.* a year to his Lordship and his descendants, stated that the moment he observed the reports in the newspapers on the subject, he made the most diligent inquiries as to its truth at the India House, the India Board, and at parties who had shared in the Affghan campaign, and found that the statements in the newspapers, which he termed "rascally," were false; that the trooper had been shot at night by the videttes, under the order of the Provost Marshal's strict directions, and that the report had never been heard of till after Lord Keane had quitted India.

That your petitioner, who had just then (May 1820) arrived in India, and could individually have no knowledge of the matter, and no bias in favour or against any one, received his information from a distinguished staff officer of Lord Keane's army, and who is still alive; and your petitioner is in a position to prove that the trooper was shot during the day, not by the videttes at all, as the regimental records will show that he was wounded by small shot never used in the army; and that the piece was fired by Lord Keane's own hand, who naturally, of course, prevented any official report from being furnished to Government, though authentic information must exist regarding it in the hospital returns of the regiment and in the records of the Bengal Medical Board. Instead of never being noticed till after Lord Keane had quitted India, on the 31st of March 1840, it was fully discussed in the "Agra Akbar," and most of the other Indian newspapers in August 1839, and in the "London Spectator" of February 1840; leaving sufficient time for making inquiries at the proper quarter before the pension discussion came on. That Lord Keane was himself not slow in noticing what appeared in the newspapers, may be gathered from the action in which he was cast against the "Bombay Gazette" in July 1836, for having republished from the "Englishman" a letter, accusing him of having caused a trooper, condemned at Deesa, to be hanged without the sanction of the Government, required by the regulations; and the fact of his having passed the present charge, pronounced so grossly libellous in the House of Commons, by unnoticed, indicates that he felt its truth. The names of the newspaper writers,

writers, though, according to custom, withheld from the letters, were perfectly well known: the manuscripts of some of them are still in the hands of your petitioner, and there is no reason to doubt that, if called upon, they would not be unwilling to substantiate their statements, the truth of which no one in India ever doubted.

On the same occasion, and with the view apparently of throwing further discredit on the press, it was stated by Sir John Hobhouse, "That the House was aware that, in the last campaign (that is, the campaign under Lord Keane in 1839, then being considered by the House) a disaster had befallen our troops under command of Major Clibborn, while endeavouring to relieve a fort." The two subjects getting mingled up in the debate, and both forming grounds of obloquy on the press. That a commission had been appointed to inquire into the disaster, the reports of which had been surreptitiously obtained and published by the newspapers just before the departure of the mail of the 1st December.

In point of fact, the trooper of the 2d Cavalry was shot in July 1839, near Ghuznee, in the centre of Affghanistan, 60 days march at least from the pass of Nuffoosk, where Major Clibborn was repulsed on the 31st of August 1840, 13 months afterwards; nine months after Lord Keane had quitted command in Affghanistan, and five months after he had left Bombay for England. The report of the Commission, which bears date 22d of November 1840, obtained publicity through the instrumentality of General Brooks, its chairman, subsequently deprived of his command of the troops in Scinde as a punishment for this. It appeared in the "Bombay Courier" on the 19th of December, that paper being blameless in the matter; not, as stated, immediately before the despatch of the mail, or with any view whatever to the injury of the prospects of Lord Keane, who could in no shape be affected by it, and in reference to whom it was not known that any debate was impending, but 12 days beforehand; leaving abundance of time for the commentaries which were made upon it in the "Bombay Times," and which were sent home along with it by your petitioner, which expressed the very same sentiments, in almost the same words as those expressed by the Bombay Government six months, and by the Court of Directors nearly a twelvemonth afterwards.

On the same occasion, Lord John Russell spoke of Lord Keane's crossing the Indus on his advance, as an event of sufficient importance to be coupled with his march through the Bholan Pass. Lord Keane and the Bombay column in reality marched through Scinde by Larkhana to the mouth of the pass, and never crossed the river at all.

In July 1843, a letter from General Nott appeared in the English newspapers, bearing date Lucknow, 4th of April, and which must have been sent home direct for publication, in reply to one from Sir James Lumley, Adjutant-general of the Bengal army, of 29th of March, calling upon him, by direction of the Governor-general, to report upon certain excesses said to have been committed by the British troops in Affghanistan. The letter of Sir James Lumley has never appeared in print, and its tenor can only be gathered from the terms of the reply, written, as it is, in a wild, declamatory tone, apparently from the first intended for the press, and as unlike as possible the calm and temperate style of official correspondence between an old major-general and the adjutant-general of the army. It would appear that General Lumley, by direction of Lord Ellenborough, had asserted that certain very infamous imputations had been made against the army by the newspapers, and these were pronounced to be "gross and villanous falsehoods;" in reality, they were never made by any one, or heard of in India, until General Nott's letter denouncing them appeared; and the conclusion that the whole affair was got up with the view of giving a blow to the character of the press, is inevitable. General Nott's letter was forwarded to England through the Secret Department, and was not made known to the Court of Directors by the Secret Committee till after its publication, of which no notice seems ever to have been taken by the Government of India, although severely blamed in the official despatch of the Court to the Governor-general, under date 2 August 1843. Yet so averse at this time was the Government of India to all communication of its servants with the press, that Mr. Erskine, of the Bengal Civil Service, had the previous year been punished by loss of employment for sending to the "Friend of India" an extract from a private note, from his kinsman, Sir William Macnaughten; and the publication in the "Bombay Times," of a letter from Colonel Sleeman, Resident at Bundlekund, correcting some misstatements in reference to his proceedings, called forth the most stringent general order against all communications with the press.

The extent to which the newspapers of India are indebted to the servants of Government for support, instead of being prepared for and maintained by those unconnected with the services, as asserted, is easily susceptible of distinct and specific proof from the subscription lists of the newspapers themselves, which will be produced if required, or by the examination of the editors. In 1848 the "Mofussilite" printed a list of all its subscribers, from which it appeared that four-fifths of these were members of the public service; and in a classified list of its subscribers, lately laid before the proprietors of the "Bombay Times," and which is at the service of the Committee, it appears that out of a thousand subscribers, assuming that to be the number on the list (123) one hundred and twenty-three were civil servants of the Government; (179) one hundred and seventy-nine messes of regimental libraries; (317) three hundred and seventeen military men; (52) fifty-two British merchants; (36) thirty-six banks and public corporations; (26) twenty-six were natives; (243) two hundred and forty-three were private individuals, uncovenanted servants, tradesmen, &c.; the rest clergymen, lawyers, native rajahs, and the like; or in all 719, or two-thirds of the whole,

Appendix, No. 3.

whole, were officers under the Crown, or covenanted servants of Government. It may safely be assumed that the maxim which holds good all over the world will obtain in India, and that the amount and nature of commodities brought to market will speedily adjust themselves to the demand; that newspaper proprietors will supply, and newspaper editors write, what is deemed most popular and acceptable amongst the newspaper-reading classes, and what they are best disposed to pay for. That the returns on such things are ample, will be seen from a paper published in 1850, when the "Bombay Times" changed its proprietors; by this it was shown that, during the previous 10 years, your petitioner had earned as remuneration for himself, or free profit for his employers, the sum of 33,000 *l.* sterling in cash, besides meeting all the charges of the establishment, and extending its strength and efficiency.

The picture presented to your Committee of the press of India, representing, as it does, journalists lately or still practising at the bar, connected as professors with our colleges, or belonging to the legal or medical or military profession, indulging from pure perversity, in false law, vulgar, profligate, and worthless writing, such as must shock and disgust the readers for whom it is provided, and who form a newspaper constituency unparalleled for selectness, would be, were it faithfully printed, an anomaly unexampled in the world.

On the examination of Mr. Melvill, in the Committee of the House of Lords, their Lordships have most wisely pointed out the great mischiefs occasioned by the apathy of the people of England in reference to Indian affairs, and suggested the importance of endeavouring to confer greater consequence and order on the meetings and debates of the Court of Proprietors, with this object in view; yet a dead set seems to be made from all quarters against the press of India, through the means of which alone the people at home can be enlightened as to the current events of the day, there being no other organs which now exist, or are likely to be brought into existence, for public information; the mistakes of the home journals whenever they venture beyond the information supplied them from the East, forming the most fruitful subjects of ridicule in India, of which the recent alarms in reference to the war in Burmah, the progress of which had been so faithfully traced beforehand by the Indian newspapers, forms an example, and that the errors of public men occurring by accident being enhanced by those which are intentional, as in the case of the papers of Sir Alexander Burnes of 1838, and the despatches from Sale's brigade in 1841, leaving no source of information open for the public to resort to that is unobjectionable, save that the press of India supplies.

That the sources of these aspersions or misapprehensions seem to lie in the misconduct of a small proportion of the journals of India, for the most part conducted by men fresh arrived from newspaper offices at home; journals which do not more fairly represent the press of India in general than do the "Satirists," "Ages," and "Towns" of London represent the newspapers of England; the existence of which at all times, precarious and short-lived, might seem inconceivable were it not from the diversity of tastes amongst us, such as that manifested by the late Commander-in-chief Sir Charles Napier, who mentioned the "Gentleman's Gazette," in his public letters, as the only upright and respectable paper in India, that journal having been pronounced by the unanimous voice of the Indian press a disgrace to it.

That the officers of the Indian army and members of the civil service, who may be supposed to be tolerable judges of such matters, send home by every mail 3,000 or 4,000 copies of Indian newspapers for the uses of their friends, although these cost from two to three times the price of newspapers published in London, professedly devoted to Indian subjects, and which embody, at least, twice the amount of the printed matter Indian newspapers afford; that the character of our newspapers throughout the Continent must be very different from that the witnesses before your Committee confer on it, may be inferred from the fact that your petitioner has long had on his subscription list a considerable proportion of the courts or leading statesmen throughout the east of Europe.

Your petitioner, therefore, humbly prays that your Honourable House will give instructions to your Committee now assembled for the investigation of Indian affairs, that, instead of accepting, as hitherto, evidence on the state of the press, emanating, as in the case of Mr. Mill, either from gentlemen who profess to possess no personal knowledge on the subject, but are made to assent to the most obnoxious and injurious insinuations interwoven in the questions put to them, or who may of themselves become prejudiced against the press from strictures made by it on their own public conduct, or may consider it, as a vast number of public servants still do, the grossest impertinence in newspapers to presume to make any remark whatever on the conduct and condition of the privileged classes; that they will summon before them gentlemen, and cause them to be duly interrogated, from India or at home, now or formerly connected with the press in the East, who alone can speak with authority on this most important subject.

The Indian newspaper press is now on its trial; the great measure of Lord Metcalfe has come into operation. Since last Charter Act was passed, the fears expressed by Serjeant Spankie and other distinguished men 25 years ago, of the frightful consequences of unlicensed journalism in India, have proved as visionary as the alarm of Mr. Melvill and others at the consequences of free trade; the ignorance prevalent regarding it, even amongst men of the highest talent connected with India, will be seen from the grievous misstatements in Horton's History, in the articles written by a distinguished Bengal civilian in the "North British Review,"

Review," 1845, in Mr. Campbell's book, and Mr. Mill's evidence; which has not only been shown to be untrue and without foundation, but to involve the absurdity of upwards of 100,000 *l.* a year being spent by the servants of the Company, or officers of the Queen's army, on what he described as the most contemptible literary rubbish that can be produced, when the very best might have been, on the same terms, procured by them; and for many a day to come the newspaper press of India must furnish the sole means by which the community at home can become enlightened as to what is passing in the East, in reference to which the published despatches and Ministers of the Crown so often mislead them so fearfully. The extent to which English education is now spreading amongst the native community is rapidly introducing habits of reading, not before in existence, and which will, of course, seek gratification from the English newspapers, as being most readily attainable and at hand; and it is therefore of the utmost importance, both to England and India, that no misapprehension shall exist as to the position the newspaper press actually occupies. If it should prove to be the mean, vile, and contemptible thing it is described, some means should be taken to qualify it for the all-important tasks it ought to perform, and the lofty destinies that seem to await English journalism in every part of the world; if, as your petitioner maintains, it be otherwise, the delusion, apparently at present so general, ought not to obtain additional weight or countenance from the results of the investigations before the Committee of your Honourable House.

That your petitioner is unwilling to intrude any personal or private considerations in a subject possessed of sufficient public importance to claim the attention of Parliament; but your Honourable House will admit that few things can be found more unjust, cruel, or intolerable, than for the only body of professionally literary men existing in the East, labouring with the utmost earnestness and singleness of purpose as public instructors, and for the public good, often individually devoting an amount of time, labour, and thought to benevolent enterprises, such as might put highly-paid public servants to shame, and whose great ambition themselves is to deserve and secure the approbation of their countrymen, stigmatised without a shadow of excuse or foundation as coarse, untrustworthy, vulgar, slanderous writers, worthy of no respect or estimation whatever, and whose statements are entitled to no weight or consideration.

That your petitioner, in seeking redress for himself, has restricted his complaints and assertions to the "Bombay Times," simply because he had no authority to include the grievances of his contemporaries amongst his own, although the grounds of his complaints are general. He claims no peculiar excellencies for the paper he conducts over those of his brethren, from the columns of which many of the most important facts he has had to deal with have been drawn; and he has no doubt that they will claim, as they justly may, for themselves and their journals, as great an amount of consideration at the hands of your Honourable House as your petitioner claims for himself and for his.

That your Honourable House will take these things into your early consideration, and adopt such measures for procuring the redress that is desired as may in your wisdom seem meet, is the prayer of your petitioner.

And your petitioner will ever pray.

Geo. Buist,
Editor "Bombay Times."

Bombay, 17 November 1852.

The PETITION of the undersigned Ministers and Missionaries in *Madras*, composing the *Madras* Missionary Conference,

Humbly showeth,

1. THAT your petitioners, anxious that your Honourable House should possess at this important juncture the fullest information concerning all matters that affect the integrity and welfare of the East India Government, beg to submit a statement of certain circumstances which operate with injurious effect upon the moral progress of the inhabitants of this great Continent, and which appear to them virtually to involve the administration of this country in the maintenance of idolatry.

2. That your petitioners collect their facts from this presidency alone; it would be easy to multiply them by a more extensive and minute research than they have been able to make.

3. That your petitioners are encouraged to memorialise your Honourable House by the attention that former representations similar to that which they would now submit have received from your Honourable House, as also by the superior knowledge and experience which recent publications on India, and especially the elaborate correspondence embodied in certain late Parliamentary returns, have contributed to all questions touching the moral and social condition of its varied population.

4. That your petitioners, believing that the greater prosperity of the East India Government, as compared with former dynasties, is owing to the moral authority as much as to the military prestige of Britain, are anxious to see that authority preserved and vindicated in all the official acts of the Honourable Company.

Appendix, No. 3.

5. That your petitioners would, in the first place, call the attention of your Honourable House to the fact that, notwithstanding the unequivocal instructions of the Honourable Court of Directors to the servants of the Company, enjoining a complete divorce of the Government from all interests vested in the native religions, it is still believed by Hindus and Mahomedans, in many of the provinces of this presidency, and not without some ground, as your petitioners will presently show, that the superstitions of the country are supported from the Exchequer, and protected by the authority of the local Government.

6. That your petitioners acknowledge that the highest praise is due to the Honourable Court for the enlightened views set forth in their despatches on the expediency and duty of withdrawing that countenance and supervision which the native religious institutions of this country were wont to receive from the Government, and for their explicit and earnest instructions to the officers of the Company to effect such a withdrawal; but your petitioners deeply regret that the separation enjoined by the Honourable Court has not been completed; that, to the present time the revenues of pagodas and temples are, to a large extent, under the control and protection of the Government of India; that endowments and pensions for the support of idolatry are guaranteed; and that in some districts the name and influence of the Government are, contrary to its express orders, employed to aid the celebration of religious festivals.

7. That your petitioners thankfully acknowledge that much has been done by the Government to extinguish these evils, by transferring to native trustees the charge of temples, &c., which had been previously under the management of the Government servants; but they submit that this transference has been in many cases left in so unsettled a state as to retain and even perpetuate the abuses it was intended to remove.

8. That your petitioners believe that the reason why the above transference, which was ordered by the Honourable Court to be made in the year 1841, was not then fully carried out, was the existence of certain clauses of a prior law of the Government of India, namely, Regulation VII. of 1817, which vested in the Board of Revenue the superintendence of the affairs and funds of native temples.

9. That these clauses, having never been rescinded or modified, leave the responsibility of temple trustees unsettled, for while Regulation VII. of 1817 remains unrepealed, it is still incumbent on the Board of Revenue to superintend the affairs, and guard the revenues and trusts of the temples.

10. That, as the case now stands, the heathen population are dissatisfied with the irresponsible state of temple trusteeships, which leaves their pagoda property without protection, while Christians are scandalised at the fact that the Government is still, to a certain extent, connected with idolatry by virtue of the said Regulation VII. of 1817.

11. That as far back as the year 1843 the Madras Government, for the purpose of repealing the objectionable clauses of the above law, and of completing the separation between itself and the native religious institutions (thus executing fully the orders of the Honourable Court), drafted an Act which was submitted for the sanction of the Supreme Government.

12. That, in the provisions of this Act, your petitioners mainly concur, for,—

1st. It rescinds the objectionable clauses of Regulation VII. of 1817.

2d. It transfers the superintendence, &c., previously exercised by the revenue authorities over Hindoo and Mahomedan religious institutions, to Hindus and Mahomedans themselves.

3d. It enacts that the succesion to the trusts of these institutions shall be appointed or determined by laws, regulations, and usages formerly in force; and

4th. It settles the responsibility of those to whom the management of the institutions may be assigned, by making them amenable to the constituted civil or criminal courts.

13. That, in conformity with these views, your petitioners earnestly pray that a law be passed, which, while it resigns the superintendence of temple revenues and trusts into the hands of duly qualified native trustees, shall at the same time afford them all necessary legal protection.

14. That your petitioners would bring to the notice of your Honourable House the connexion of the Government of India with pagoda revenues, endowments, pensions, &c. Your petitioners believe that the charges incurred by the Government under the head of "pagoda and mosque allowances," sometimes in lieu, and sometimes not in lieu, of resumed lands and privileges, amount to upwards of nine lacs of rupees or 90,000 *l.* sterling annually. Your petitioners are not ignorant of the difficulties which beset an equitable disposal of some of these monies. In the case of pagoda lands, resumed by the East India, or some former Government, your petitioners acknowledge that the sums annually paid in lieu of them are justly due; but since these estates were commuted for some reason affecting the Government revenue, and not with the view of affording protection to pagoda interests, your petitioners respectfully submit whether they might not either be restored to the institutions to which they originally belonged, or be placed in the same position as those lands over which the servants of Government have not been accustomed to exercise control.

15. That, with regard to those temple lands which cannot be defined, or whose boundaries

ances are unknown, your memorialists pray that instead of the annual monies now paid in lieu of them by the Government, some other equivalent be rendered which shall not involve an annual claim on Government funds.

16. That your petitioners earnestly call the attention of your Honourable House to other monies allowed to the native religious institutions, not paid in lieu of property, but granted in the shape of endowments, donations, and pensions; most of which originated with former Governments. Your petitioners submit whether it is obligatory on a Christian Government to continue, and thus make permanent, the voluntary gifts and stipends of an idolatrous charity.

17. That your petitioners would refer especially to allowances granted for the support of small pagodas and shrines, which, from the nature of the terms on which they were granted, are liable to be resumed when such pagodas and shrines fall into decay, or ceremonial observances are discontinued in them; and to the fact that collectors are expected to inquire from time to time whether these buildings are kept in repair, and whether the ceremonies are regularly performed, thus perpetuating an interference of the Government which involves both supervision and maintenance.

18. That your petitioners earnestly pray that the endowments and allowances which originated with former Governments may, with all practicable expedition, cease, and that all other money-payments which directly or indirectly support idolatry, may be disposed of with the view of separating practically and universally this Christian Government from the interests of heathenism.

19. That your petitioners feel the more confidence and satisfaction in making their present representation to your Honourable House from the fact, that they in reality solicit nothing more than what has already been enjoined and ordered by the Honourable Court of Directors, and that all they desire is, that the wise and judicious instructions of that honourable body be thoroughly and completely carried into effect.

And your petitioners shall ever pray.

John Anderson,
Senior Missionary of the Free Church of Scotland.
Frederick Baylis,
London Missionary Society.
Arminius Burgess,
Wesleyan Missionary Society, Madras.

Madras, 21 May 1853. &c. &c. &c.

The humble PETITION of the Member of the *Bombay* Association, and other Native Inhabitants of the Presidency of *Bombay*,

Showeth,

THAT your petitioners have watched with much anxiety and interest the proceedings of your Honourable House and its Committee on the subject of Indian affairs, as bearing on the legislation about to be proposed for the future government of India.

2. The Report of your Committee, which sat during the Session 1852, having reached India, has been examined and analysed by your petitioners with much care; and they observe that the members of that Committee have been so far satisfied by the evidence up to that time laid before them that they direct the attention of your Honourable House to the favourable tenor of the evidence with respect to the operation of Act 3 & 4 Will. 4, c. 85, so far as regards the administration of the government of India by the East India Company, as trustees under the control of the Crown.

3. The witnesses examined before the Committees of both Houses of Parliament amounted in all to 25 persons, five of these having been examined before both Committees. They consisted of Lords Ellenborough, Elphinstone, Hardinge; Sir T. H. Maddock, Sir G. R. Clerk, and Sir George Pollock; Messrs. Bird, Willoughby, Reid, Millett, Melvill, Cameron, Robertson, Mill, McLeod, Pringle, Hill, Shepperd, and Prinsep; also, General McLeod, Colonels Sykes, Taylor, and Alexander, and Captain McGregor.

4. The whole of these gentlemen, excepting the three noblemen above-named and Captain McGregor, have been more than 30, some of them 40, years in the service of the East India Company, and, without desiring to cast the slightest disparagement on their testimony, still it must be borne in mind that they are all to a great degree in the position of interested witnesses, speaking indirectly to the favourable results of their own services, or, at least, of a system in which they have all borne a part. The majority of these gentlemen having spent the greater portion of their lives under the existing Government, and having freely participated in the advantages enjoyed by the covenanted service of the East India Company, have naturally become prepossessed in favour of things as they are; and although, upon a general view of the subject, the administration of the Indian Government may present to your Honourable House results very favourable to the honourable intentions of those to whom it has been confided by the Crown of England, still this conclusion leaves wholly

Appendix, No. 3.

untouched the important question whether the main provisions of an enactment passed in the year 1834, investing the rulers of India with powers almost irresponsible and despotic, and intituled, as it truly was, "An Act for effecting an Arrangement with the East India Company," constitutes the best scheme or all that is needed for the good government of these vast territories—all that the governed can justly demand or should be reasonably satisfied with in 1854.

5. Your petitioners may well leave in the hands of your Honourable House, without observation from them, the construction of the home portion of the Indian Government, only asking that it may be so framed as naturally and easily at all times to secure within it the services of the ablest and most experienced persons in Indian affairs, that it may be so simplified that the people of India may know who really are their rulers, and who are responsible for measures of great importance emanating from England; but with respect to the constitution of the local governments, your petitioners earnestly pray your Honourable House not to continue them as they exist without a further and more searching investigation into the actual and daily operation of the existing system than your Honourable House now has or is likely to have before you, if the inquiries are to be so very general in their nature as they seem hitherto to have been, and are to be confined to the evidence of retired Indian official personages.

6. Your petitioners rejoice to learn that an interest and a spirit of inquiry respecting Indian affairs have lately arisen in England, which have led to a mass of valuable information being placed before the public of a nature that would never have reached your Honourable House from official lips, but which, nevertheless, your petitioners would respectfully remark, deserves the utmost attention of your Honourable House, though it may form no part of the evidence collected by the Committee of your Honourable House, and may not be adverted to in their Reports. Your petitioners may refer to many valuable papers published by highly competent persons now in England, very antagonistic to the interests of the East India Company, whose names therefore your petitioners do not find amongst the persons summoned before the Committee to give evidence on Indian affairs; and they beg also to attract the attention of your Honourable House to a very valuable and instructive work recently published at Madras, on the administration of justice in that presidency, by George Bruce Norton, Esq., barrister-at-law. As this gentleman is now at Madras, and cannot be examined in England, your petitioners have taken the liberty of annexing a copy of this work to their petition, in the hope that your Honourable House will allow them, in this form, the benefit of that gentleman's testimony to the character of the administration of justice in southern India—testimony which, however startling, is nevertheless unimpeachable, being based on the decisions of the courts themselves; and your petitioners regret to add that the courts of the East India Company in this presidency are on no better footing as regards judicial fitness and capacity than those of Madras.

7. Your petitioners are sensible that many of the evils which have hitherto retarded progress in India can only be remedied through the medium of efficient and properly constituted local governments, and they look with confidence to your Honourable House giving this head of inquiry the fullest consideration.

8. Your petitioners, speaking of the government of their own presidency, though they believe the remark to be equally true of the other Indian Governments, are of opinion that it is quite unequal to the efficient discharge of its duties, and that nothing but the impenetrable veil of secrecy with which even its most trivial acts are covered protects it from universal condemnation.

9. It consists of a Governor, a Commander-in-Chief, and two civil servants as members of council. The business is conducted primarily by four secretaries and two deputy-secretaries; each secretary having a separate department of his own, and being in that the adviser of the Governor; the latter, who, generally speaking, is without local knowledge or experience, is obviously in the hands of the secretaries, and, for the most part, from the mass of business to be despatched, compelled to adopt the minutes they place before him.

10. The Commander-in-Chief, having the affairs of the army to attend to, and not caring to trouble himself with the civil affairs of the presidency, with which he cannot be expected to be in the least degree acquainted, spends more than half his time away from the seat of government, and enters the council apparently merely to record his assent to the minutes of the Governor. It has been stated in evidence before the Committee of your Honourable House, that it often happens that eight or ten boxes full of papers on revenue and judicial matters are sent to the Commander-in-Chief at one time, and that they have been returned from his house to the other members of the Government perhaps within one hour, allowing merely time for him to put his initials; and your petitioners believe that it ever has been the case that the Commanders-in-Chief, though knowing nothing of the subjects in hand, have felt it their duty invariably to vote with the Governors.

11. The civil members of council are not selected from the most able and distinguished of the servants of Government, though there have been some remarkable exceptions. The appointment is in the gift of the Court of Directors, and is always bestowed on some one of the senior members of the service about to close their Indian career. It is consequently canvassed for in Leadenhall-street, and falls to the lot of him who can command the greatest amount of personal interest with the members of the court individually. A vacancy

Appendix, No. 3.

vacancy occurring but rarely, few members of the civil service can fill the appointment, and its gift is thus a matter of favour. They have no specific duties to discharge, and little or no responsibility, and, as they may always be outvoted by the Governor and the Commander-in-Chief, they can scarcely be expected to take any prominent part in the current affairs of Government; indeed, to give any very effective assistance, unless something out of the usual routine, or within the line of their past experience, should arise to excite their interest. The evil tendency of their position is, that, having no defined duty as a part of the Government, their own brief minutes, or their signatures, often put for the sake of conformity to those of others, carry with them a weight to higher authority which should only attach to opinions deliberately formed, and the result of careful inquiry, made under official responsibility. The practical effect of a Government so constituted is, that, for the most part, each secretary in his own department is the Governor in Council. The secretaries, with one exception, selected from the civil service, and generally, though not invariably, from its most able members, having passed their lives from boyhood on some one or more of the subordinate agencies of Government, are suddenly called upon to discharge the most onerous and important duties, for many of which their previous training does not at all qualify them. Questions requiring for their solution correct knowledge of the principles of finance, of political economy, of the systems of the country and of other countries, involving the rights and just expectations of classes of persons, and the cases and privileges of individuals with lighter matters, crowded in rapid succession on them, and must be disposed of; and, however able and conscientious they may be, they have not the time to go through, with due care and attention, nor very frequently with the knowledge of the subject requisite to enable them properly to despatch the multifarious matters with which they are loaded. Government being thus undermanned is necessarily compelled to throw off as much of its own duties as possible on the local officers, to act on their report as unimpeachable, and to shroud them in secrecy. The European local officers, on the other hand, scattered over the country at great distances from one another, and having large districts to attend to far beyond their powers of supervision, and dependent to a very great degree on their subordinates, are compelled to dispose of the greater part of their business in a very imperfect manner; and their statements to Government, whether emanating from persons who it is known may be trusted, or from those in whose accuracy Government are aware no confidence can be placed, are on system accepted as equally trustworthy, and the official vindication of the acts of Government founded thereon. The necessary result of this system is, that the Government is one of first impressions; that, short-handed as it is under the present system, its chief difficulty and its main object is to keep down and despatch business; to despatch it well if possible, but at all events to prevent accumulating; that hasty superficial reports of local officers are in regulating the conduct of Government, except on questions of money, of equal weight with those the result of care and reflection. It is obviously necessary, therefore, to protect the acts of such a Government from public scrutiny and supervision, in order to preserve for it public respect; and the most rigid secrecy is consequently preserved in every department. So strictly is this enforced, that the members of the civil service are all under solemn oaths not to reveal anything connected with the business before them; and the Court of Directors have, even in modern days, noticed with severe disapprobation the publication of a very small portion of one of their despatches by, as it was supposed, a member of the civil service, relating to a suit at law with which he had been connected judicially. The same amount of secrecy is preserved in everything that comes before Government, whether it relate to a purely municipal matter, the establishment of a sailors' home, a principality, a jaghere, the conduct of a public officer, or hardship practised towards an individual; and even where wrong or injury are complained of by a large class of persons, or where merely private property is at stake, or the character and prospects of an individual are involved, still the same system prevails. If the parties against whom unfavourable reports have been transmitted by the local officers apply for copies, they are always refused. Not the slightest opportunity is afforded them of correcting any mis-statements that may have been made in these reports, and there consequently is, naturally ever must be, a great inducement to resort to unfair means to procure that information from the records of Government which cannot be fairly obtained, but to which all the parties concerned are justly entitled; and which, on system merely, is withheld from them. The inevitable effect of this system is, that, individual cases occupying a large portion of the time of Government, the most cruel injustice, even with the best intention, is done. The individual concerned may have had a volume written against him behind his back, written with all the easy confidence of those who know that their statements will not be handed over to the party interested to reply to; and when the presidency authorities consider matters sufficiently ripe, a few paragraphs disclosing a small fragment of the case recorded against him—a tithe only of what he ought to be allowed to answer and explain—is sent to him for such observations as he may desire to offer, and on his reply to these he is adjudged. It is difficult to exaggerate, or on any more general view fully to display the vicious operation of this system of Government. But it will be obvious to your Honourable House that, as a system, it is the very worst that could be devised, and the very last which good sense would indicate as adapted to strengthen British rule in India, by giving it a hold on the affections of the people; on the contrary, its obvious tendency is to engender and perpetuate amongst the young servants of Government an illiberal and despotic tone, to give full scope to the prejudices, the ignorance, and the self-sufficiency of all; to discourage progress, to discountenance all schemes of improvement emanating from independent and disinterested sources, and not within the views of the officer to whose

Appendix, No. 3.

department they are referred; and to cramp all agricultural and commercial energy, and individual enterprise.

12. Your petitioners therefore humbly entreat your Honourable House, in any new legislation which may be framed for India, to abolish councils as at present constituted, and in their place to create an useful and efficient council, of which the judges of the Supreme Court, in judicial and legislative matters, and some of the European and native citizens, should form a part. Also to put an end to that injurious system of secrecy which at present is the ruling principle of vice in the Indian administration, and to allow the council to call for the proceedings of Government and its local officers, except in cases in which the executive shall declare that state policy requires secrecy should be preserved. Your petitioners further ask, that on questions of great importance to individuals and classes of persons coming up for the decision of Government, the valuable privilege of being heard by counsel be conceded to those who may be desirous of availing themselves of it in support of their interest. With these measures your petitioners believe that it would be absolutely necessary to strengthen the hands of the executive Government; and that it would be highly desirable that there should always be among the more prominent members some persons trained and experienced in the public offices of England, who can bring to the consideration of public affairs a more extended knowledge and wider views than are to be expected from those European gentlemen who have passed all their days from boyhood in the bad systems of this country, and know no other by which to compare and improve them.

13. Your petitioners forbear to trouble your Honourable House with the details of such a change, which are of easy construction if its propriety be once acknowledged; and they equally wish to avoid repeating what they have put forth in their former memorial, already, as they believe, referred to the Committee on Indian Affairs; but they are anxious to recall the attention of your Honourable House to that narrow and injurious system which gives to those educated at Haileybury College a Parliamentary right to supply the vacancies in the civil establishments of India. Your petitioners believe that the existence of this exclusive service, bound together like the members of one family, is incompatible with a more open council and an efficient and responsible discharge of public duties. At present the natives of this country, however respectable, trustworthy, and qualified they may be, are excluded from the higher grade of judicial and revenue situations and from the regular medical service, to which covenanted European servants sent out from England are alone appointed; such exclusion being impolitic, unjust, and contrary to the letter and spirit of the 87th section of the Charter Act of 1834. Your petitioners respectfully reiterate their prayer that the invidious and unjustifiable distinction betwen the covenanted and uncovenanted services, which excludes the natives from the higher offices, be abolished, and that natives of India may be allowed to fill all situations for which they may be qualified. By the adoption and practical operation of such a measure, a great stimulus will, your petitioners feel convinced, be given to the cause of education and improvement in this country; a great deal of discontent will be removed, and inefficiency will be obviated. It is placed beyond controversy by the testimony of official reports published by the local Governments, that the Grant Medical College at Bombay and the Medical College at Calcutta are admitted to have recently produced as proficient and competent native surgeons and physicians as those sent out from England under covenants.* Instead of admitting any of the successful candidates into the regular medical service of Government, a new and distinct service has been created for them by the Indian Governments, the rank and emoluments of which are considerably inferior; a course which is calculated to lower this new medical service in the estimation of the public, and to perpetuate the distinction that has hitherto been preserved between native and European agency, or uncovenanted and covenanted servants of Government. So rigidly is the line of separation preserved, that a native of India, named Dr. Chukerbutty, who recently left Calcutta to finish his medical education in England, where he greatly distinguished himself and obtained the highest testimonials of proficiency, although recommended for an appointment as an assistant-surgeon in the East India Company's medical service by the Right Honourable Sir Edward Ryan and Mr. Cameron, gentlemen of eminent consideration for their past services, was, your petitioners are informed, refused admission into the covenanted medical service by the Court of Directors collectively and individually.

14. Your petitioners cannot take leave of this important subject without the favourable attention of Parliament to the suggestion made in their former petition with regard to the advisability of establishing a university or college, as proposed by that able and experienced servant of Government, Mr. Cameron, for the purpose of qualifying the natives for government employ, of imparting profound and thorough judicial knowledge to native candidates for the bench, and of training up a superior and independent class of vakeels or pleaders, who would elevate the character of the native bar, and be of great service in the efficient administration of justice in this country.

15. Your

* *Vide* Appendix (O) to the Report of the Grant Medical College for 1850–51. Dr. M'Lennan, Government Examiner and Physician-General, has publicly certified, that, "as far as examinations can test fitness for engagement in medical and surgical practice, graduates of the Grant Medical College have proved their fitness to as great a degree as I believe is ever done in Europe."

Appendix, No. 3.

15. Your petitioners would further ask that, as regards the European servants of Government, a distinction, commencing in England and preserved throughout, may be made between those who are destined to fill judicial offices in India and the executive officers of the Government, and that the former may be withdrawn from the operation of personal favour and individual patronage, and be selected, like the judges in England, for their own merits and acquirements.

16. Your petitioners believe that if, whilst opening the highest judicial offices to the natives of this country, and fairly apportioning them between qualified natives and their European fellow subjects, the office of zillah judge were thrown open to gentlemen of legal education; if no one were permitted to leave England for this purpose until 26 years of age; if a public committee, composed of four members named by the four inns of the Court and two members by the Home Government, were appointed half-yearly to examine the candidates, selecting from them so many only as, according to the computed vacancies, were then required; if the course of examination, besides comprehending a knowledge of selected portions of the English substantive law, embraced the general principles of jurisprudence procedure, the law and constitution of India, and its modern history, a class of most able public servants to fill the office of zillah judge, and the higher grade, would be selected; and that a certain probation in India, ending with an examination of the candidates in native languages, in the Hindoo and Mahomedan code, the local regulations, the tenures and customs of the country, would complete an education, and produce an efficiency, which would render the court of justice a blessing to the country that would be heartily and gratefully acknowledged throughout the length and breadth of the land; and appellate courts so constituted would ensure to the English Government the firmest hold on the affections and interest of the people.

17. Your petitioners in their former memorial drew the attention of your Honourable House to the correspondence between the Board of Control and the Directors of the East India Company, contained in the 17th volume of the "Papers (printed in 1833, by order of the Court of Directors) respecting the negotiation with Her Majesty's Ministers on the subject of the East India Company's Charter;" and, although well aware from that correspondence that they might justly have asked your Honourable House to discontinue the practice of periodically legislating for India, a practice exclusively connected with the rights and privileges of the East India Company put an end to by the arrangements made with them in 1833, still your petitioners, not foreseeing the chance of arousing the interest and attention now bestowed on Indian affairs, petitioned your Honourable House to limit the period of existence of any future government of India to 10 years; but your petitioners are now emboldened to ask your Honourable House as recently recommended * * * by the Right Honourable Lord Broughton, not to debar them for any period of years from requesting a revision of what may be injurious in the coming Indian legislation,—not to make them an exception to all British subjects in the distant colonies of the British Empire, who have all along been in the enjoyment of the privilege of approaching Parliament whenever the affairs of the colony have required imperial interference. It is simply necessary, Lord Broughton declared, * * * * * to pass an Act providing for the best form of Government both in England and in India, without limiting its duration to any number of years, an Act which, like any other statute, might, if deemed requisite, be modified, altered, or repealed as occasion might require; and, carrying out the same principles still further, your petitioners would respectfully observe that it cannot be necessary to embrace all the subjects involved in the discussion of India in one Act, and that the constitution of the Home Government, the constitution and powers of the several local Governments, the construction of a new judicial service, and each independent branch of inquiry, if made the subject of separate legislation, would in all probability receive more careful attention, and be more satisfactorily disposed of, than if the entire mass of Indian information be gathered together in one, and thrown into a single enactment.

18. Your petitioners therefore humbly pray your Honourable House, that this petition, like their former memorial, may be referred to the Committee now sitting on Indian Affairs, with a direction to them to have regard to its contents on any measures of legislation which the Committee may propose to Parliament; and that your Honourable House will be pleased, if necessary, to cause Commissions to issue to disinterested and independent persons at the three presidencies, to collect evidence in India as to the practical working of the systems of Government in operation, and that such Committees may be authorised to examine all Government servants, of whatever rank, and to require the production of any of the records of Government, not connected with state policy, calculated to throw light on the subject of inquiry.

And your petitioners, as in duty bound, will ever pray.

Bomanja Aonnasjee.
Manackjee Nesserwanjee.
Dhunjeebhey Cursetjee.
&c. &c. &c.

Appendix, No. 3.

The humble PETITION of *Mean Oomaid Singh*, Cousin and Heir of *Beejai Singh*, late Rana of *Beeghaut*, in the Agency of *Simla*, in *India*,

Sheweth,

THAT petitioner's ancestor, Rana Roganauth Paul, as independent Rajah of Beeghaut, was possessed of nine villages at Beeghaut, paying an annual rent of 14,000 rupees, and that the same villages were taken possession of by the government of the Honourable East India Company during the Ghoorka war.

That, at the close of the Ghoorka war, four of the before-mentioned nine villages were restored by the Government to Rana Mohender Singh, the lineal descendant and representative of the said Ranah Roganauth, and the remaining five villages were granted to the Rajah of Putteealah.

That Rana Mohender Singh continued in undisturbed possession of the said four villages, and received the rents and profits thereof until his death, which took place in the month of June 1839.

That, upon restoration of the said four villages to the said Rana Mohender Singh, a sunnud or grant by the government of the Honourable East India Company, under the hand and seal of General Sir David Ochterlony, was made to the said Rana Mohender Singh, securing to him and his posterity the possession of said four villages, of which the following is a translation:

"As the expulsion of the Gorkhas from this mountainous country, Kohiston, has been completely effected, and all the castles appertaining thereto have come to the possession of the cicar the seat of bounty, the English Company Bahadoor; and the territories of Thuhrye have been likewise subdued in consequence of Mehunder Singh having neglected to join and aid the English force during the insurrection of the Gorkhas; and as the English nation, the most distinguished of all other nations with regard to excellence and generosity, has, from motives of kindness, and by way of courtesy only, bestowed on Mehunder Singh the pergunnahs Cussoley, and Bhoji, and Bussaul, and Cotee Bassil, four pergunnahs in all, which, together with the rest of the pergunnahs, appertaining to Beeghat, have been captured; therefore, according to the orders of the bestower of favours, his excellency the most noble Governor-General Moira Bahadoor, may whose prosperity continue for ever, a sunnud for the said four pergunnahs is granted to Mehunder Singh under my seal and signature, to perpetuate the possession thereof to him and his posterity. It behoveth him therefore to continue in the custody and possession of all the four pergunnahs, administering in the meantime justice and comfort to all his subjects; that he should never outstep the ancient boundaries of these four pergunnahs, and go over the lands appertaining to the rest of the pergunnahs belonging to Beeghat; that, besides these four pergunnahs, he should never claim any other pergunnah, nor should he demand the taxes and tolls arising out of Beeghat, amounting to 1,300 rupees, which are assigned over to Maha Rajgawn Singh Mahunder Bahadoor, that he should consider it his interest to be always in attendance on the English people, and to render them his personal services; and that whenever there should happen to be any rebellious commotion, he should join the British army with his own force, and assist them to the extent of his power; and that he should always retain 20 labourers, who should be in constant attendance on the gentleman at Supatoo throughout the year.

"Should he deviate from or act contrary to these stipulations, he should certainly be held in the utmost contempt, and be removed from his possessions.

"The subjects and inhabitants of that place are exhorted to regard Mehander Singh, and after him his descendants, as their absolute master, to whom they should never resist to pay the Government revenues, but should always be submissive to him in everything that is proper, just, and expedient."

That upon the death of the said Mohender Singh, Colonel Horatio Tapp, the resident at Simlah, acting on behalf of the Government of the Honourable East India Company, took possession of the said villages, whereupon your petitioner's cousin, the late Rana Mohender, being the brother and heir of the Rana Mohender Singh, presented a memorial to the government of the Honourable East India Company, that the possession of the said villages might be granted to him as the representative of the said Rana Mohender Singh; and that in the year 1843, after a delay of three years, possession of the said four villages was conferred on the said Rana Beejai Singh, by a sunnud or grant of the Honourable J. C. Erskine, late sub-commissioner of the Hill States, and the arrears of the income of the estate for the three years from the time of Rana Mohender Singh's death, was paid to the said Rana Beejai Singh, who continued in possession of the estate to the time of his death, and of which summud or grant the following is a translation:—

"Agreeably to the letter of the Secretary to the Government of India, No. 2,167, dated 18th November 1842, the four above-mentioned pergunnahs or districts, together with all their rights, have been made a free grant to the before-mentioned Rana, from generation to generation. It is incumbent on the Rana to consider the summud correct and legal, and to take possession of the pergunnahs; and he is not to encroach on the boundary of another person, and he is to do his best to settle the ryots and to give redress to their complaints, and

and obey the authorities of the Honourable Company with sincerity and devotedness, and to feel very grateful for this grant. In case of the services of his men being required, he is to be present with them and come in person to discharge the duty. He is to obey the orders of the authorities in procuring the bagarees, and to keep the roads in his district in readiness. The ryots of the before-mentioned pergunnahs are to consider Rana Bijai Singh independent and sole master of the before-mentioned pergunnahs from generation to generation, and his orders are to be obeyed.

"In accordance with the letter of Mr. Hamilton, the secretary, No. 26, and dated 8th August 1843, one pergunnah of Kussolee, from the four pergunnahs, together with its villages, will remain in the possession of the Honourable Company, and the sum of 507 rupees, 3 annas, and 11 pice, the produce of the pergunnah, will continue to be paid to the Rana from the Government treasury yearly, by two instalments.

Signed and sealed by the Honourable *John C. Erskine*,
"Sub-Commissioner, North-western Frontier."

That the said Rana Beejai Singh died without issue on the 3d of January 1849, leaving your petitioner his cousin and heir, petitioner being the son of Dhercy Singh, who was the paternal uncle of the said Beejai Singh.

That the said Rana Beejai Singh left a will in the Hindoo language, dated 17th November 1843, and thereby declared that your petitioner was to succeed him in the estate of Beeghaut, if he, Beejai Singh, should die without issue, and which will is signed by the said Rana Beejai Singh, and duly witnessed, and of which will the following is a translation:—

"Seree Maha Seree Mean Bijjai Singh has given this in writing to Mean Oomaid Singh, that I am the master of Raj as long as I am in existence, and my issue is to succeed me, and in case I have no issue, then Bhaie Oomaid Singh is to succeed me. I give this in writing. If, during my lifetime, or in the presence of my issue, Oomaid Singh were to make any claim to the Raj, he is to be considered a liar; and in case I deviate from this, I am to be disgraced in the eyes of my ryots and be punished by gods and goddesses."

That on the death of Rana Beejai Singh your petitioner wrote to Mr. Edwards, the superintendent of the Hill Estates, informing him of the death of the Rana, and that your petitioner was the successor to the estate; and petitioner received in reply directions from Mr. Edwards to superintend and manage the affairs of the country, as they had been theretofore conducted.

That your petitioner accordingly executed all orders of government, and superintended the affairs of the estate with zeal and obedience, and without any complaint having been made against your petitioner; but after a lapse of about three months Bishen Doss, the Naheb Tehsuldar of Joobbul, was sent to Beeghaut, and took possession of the estate on behalf of the British Government, and your petitioner was deprived of the estate.

That your petitioner received a letter from Mr. Edwards, the Superintendent of the Hill States, dated the 10th July 1850, stating that he had been directed by the Board of Administration for the affairs of the Punjab, to inform your petitioner that his claim to the estate of Beeghaut had been submitted to the Honourable the Court of Directors, and that, in their opinion, the claim of your petitioner was not proved, and therefore a suitable pension would be granted to your petitioner for his maintenance.

That your petitioner is utterly unable to comprehend the grounds on which the opinion of the Court of Directors was formed; your petitioner having undoubted proofs of his pedigree and relationship to the late Rana Beejai Singh, and which proofs he is desirous to submit for examination; and also the said Rana Beejai Singh having made his will directing that petitioner should succeed him in the estate, as before set forth.

That, on the 25th October 1850, petitioner presented a petition to the Governor-General of India, stating the death of the late Rana Beejai Singh, and showing your petitioner's claim as his legal heir to the estate at Beeghaut of which he died possessed, and praying that your petitioner's case might be inquired into; and that as the rightful heir and successor of Rana Beejai Singh he might be put in possession of the villages or estate of which the said Rana died possessed. That the only reply your petitioner received to this petition was a memorandum, of which the following is a copy:—

"No. 2416. Office Memorandum, Foreign Department, Camp Gurshunker, the 16 November 1850. Read, a petition from Mean Oomaid Singh, dated 25 October 1850, complaining of having been dispossessed of the Beeghaut estate. Ordered, that the petitioner be informed that the decision in his case is final. (Signed) *E. C. Bayley*, Under-secretary to the Government of India with the Governor-General."

That, in cases similar to that of your petitioner, when there has been no direct descendant, the British Government have been pleased to confer the estate on the nearest relative of the deceased owner, such as in the cases of Billashore, Hoomarsom, and many others, and in the case of the estate in question, on the death of Rana Mohender Singh the estate was granted to his brother, the late Rana Beejai Singh.

That your petitioner's conduct has been always approved of by the British authorities, and in the recent wars with the Seikhs your petitioner, with his sowars or cavalry, rendered great

Appendix, No. 3.

great assistance to the British forces, and gained the highest approbation of the British authorities.

That the late Rana Beejai Singh, being desirous of appointing your petitioner as his mooktear or prime minister in the year 1844, addressed a letter to the Honourable J. C. Erskine, sub-commissioner of Kohiston, for his approbation of such appointment; who addressed a letter in reply to Rana Beejai Singh on the 10th January 1844, and stated that, having seen the intelligence, activity, and capability of your petitioner, he reposed every confidence in him, and highly approved of your petitioner being selected for the office.

That on the 28th February 1846, the Honourable J. C. Erskine addressed a letter to the late Rana Beejai Singh, stating that petitioner had remained with him, together with the troops of Rana Beejai Singh, during the Sutlej campaign against the Seikhs in 1845 and 1846, and had performed duties to his entire satisfaction.

That on the death of Rana Beejai Singh, all reassals of the Beeghaut estate presented a petition to Mr. Edwards, praying that your petitioner might succeed Rana Beejai Singh, thereby testifying the popularity of your petitioner with the subjects or reassals of the estate.

That your petitioner has made frequent applications, by respectful memorials, both to the Governal-General of India and to the Directors of the Honourable the East India Company for redress; that he has failed in obtaining any; that there is no court of law or tribunal to which he can appeal to determine his rights and put him in possession of property which is thus unjustly withheld from him; and that he therefore appeals to the justice and honour of the British Parliament to interfere for his protection, and to secure to him the enjoyment of his rights and property, his title to which he is ready to prove, if your Honourable House shall direct an inquiry into his claim.

Your petitioner therefore humbly prays that your petitioner's case may be taken into consideration, and direct such inquiry to be made, with reference to petitioner's claims, as may be deemed necessary; and that the four villages or estate of Beeghaut, of which the late Rana Beejai Singh died possessed, may be granted to petitioner, and that he may be put in possession of the same as the lawful heir and successor of the late Rana Beejai Singh; and that your Honourable House may adopt all measures that may be necessary to secure to your petitioner full and complete justice.

And your petitioner will ever pray.

Mean Oomaid Singh.

The humble PETITION of the Merchants, Shipowners, and Tradesmen of the Town of *Liverpool.*

Sheweth,

THAT the period has now arrived when you will have to consider the propriety of continuing the present or adopting fresh and more liberal measures for the future government of Her Majesty's East India possessions.

That the enlightened policy which has of late years distinguished the Government of this country has greatly promoted the prosperity of the mercantile interest, and ameliorated the condition of the working population of Great Britain.

That the primary duty of any Government is to see to the temporal welfare of the population under its rule; and, since it has pleased an all-wise Providence to place under the protection of the Government of this country many millions of human beings in East India, your petitioners believe it to be the sacred and solemn duty of this Government to afford to the people of that country the same fostering care as is and ought to be afforded to the people of this country.

That a constant and plentiful supply of salt of good quality, and at as low a price as possible, is of the utmost importance to the well-being of the people of East India; but your petitioners regret that that article can only be obtained by the great mass of the people of that country with great difficulty, of very inferior quality, and at an enormous cost.

That if the salt manufactured in England could be imported into India free of duty, or upon the same terms as other commodities, at an *ad valorem* duty, and free from all excise imposts when imported, a sufficient supply to meet the wants of that country could be easily sent pure in quality and low in price.

That your petitioners believe it to be oppressive and unjust towards the people of British India to impose so heavy a tax on so important an article as salt (amounting to about 7*l.* per ton), a sum more than twenty times the value of the article in this country.

That the abolition of the duty on salt in British India would be not only a great boon to the people of that country to which justice and humanity entitle them, but would also

also tend greatly to improve and strengthen the mercantile interests of this country generally, by increasing particularly the demand for cotton and other goods of English manufacture.

Your petitioners therefore earnestly pray that, in any measure which your Honourable House may adopt for the future government of Her Majesty's East India possessions, you will take care that provision shall be made for the importation of salt into that country free from any duty, and free from any excise impost when imported; or, at the least, that it shall be admitted on the payment of the same *ad valorem* duty as other goods and manufactures.

Thos. J. M. Brocklebank.
William Rathbone.
Brown, Shipley, & Co.
&c. &c. &c.

TO the Honourable the Commons of the United Kingdom of *Great Britain* and *Ireland* in Parliament assembled.

The humble Petition of the Merchants, Manufacturers and Tradesmen of the Town of *St. Helen's,*

Sheweth,

That the period has now arrived when you will have to consider the propriety of continuing the present, or adopting fresh and more liberal measures for the future government of Her Majesty's East Indian possessions.

That the enlightened policy which has of late years distinguished the Government of this country has greatly promoted the prosperity of the mercantile interest, and ameliorated the condition of the working population of Great Britain.

That the primary duty of any Government is to see to the temporal welfare of the population under its rule; and since it has pleased an all-wise Providence to place under the protection of the Government of this country many millions of human beings in East India, your petitioners believe it to be the sacred and solemn duty of this Government to afford to the people of that country the same fostering care as is and ought to be afforded to the people of this country.

That a constant and plentiful supply of salt, of good quality, and at as low a price as possible, is of the utmost importance to the well-being of the people of East India; but your petitioners regret that that article can only be obtained by the great mass of the people of that country with great difficulty, of a very inferior quality, and at an enormous cost.

That if the salt manufactured in England could be imported into India free of duty, or upon the same terms as other commodities, at an *ad valorem* duty, and free from all excise imposts when imported, a sufficient supply to meet the wants of that country would be easily sent, pure in quality and low in price.

That your petitioners believe it to be oppressive and unjust towards the population of British India to impose so heavy a tax on so important an article as salt (amounting to about 7 *l.* per ton), a sum equal to more than twenty times the value of the article in this country.

That the abolition of the duty on salt in British India would be not only a great boon to the people of that country, to which justice and humanity entitle them, but would also tend greatly to improve and strengthen the mercantile interests of this country generally, by increasing particularly the demand for cotton and other goods of English manufacture.

Your petitioners therefore earnestly pray, that in any measure which your Honourable House may adopt for the future Government of British India, you will make provision for the importation of salt into that country free of duty, or at the least on payment of the same *ad valorem* duty as other goods and manufactures.

TO the Honourable the Commons of the United Kingdom of *Great Britain* and *Ireland,* in Parliament assembled.

The humble PETITION of the Undersigned of the Town and Neighbourhood of *Winsford,* in the County of *Chester,*

Sheweth,

THAT on an average of several years past, not less than 600,000 tons of salt have been annually made from brine and rock salt, in the salt districts of Cheshire, giving employment by land and water to at least 5,000 able-bodied men.

That a constant supply of salt of good quality, and at reasonable prices, is of the utmost importance to the extensive population of British India, particularly the lower classes, but at present they are almost dependent upon the article manufactured in that country, which is impure in quality, uncertain and insufficient in supply, and costly in price.

That if the salt manufactured in England could be imported into India upon the same terms

terms as other goods, a sufficient quantity could be sent from the salt districts of Cheshire to meet the wants of that country, pure in quality, certain and sufficient in supply, and low in price.

That under no circumstances should any tax or duty be imposed on salt, but in proportion to its value, compared with other articles of commerce taxed by the East India Company.

That the East India Company have imposed an import duty upon salt equal to 7 *l.* a ton, which of itself is not less than 20 times the value of the article, whereby the supply has become a monopoly in the hands of that Company.

That the imposition of such duty is contrary to the commercial policy of this country, and unjust and oppressive towards the native population of India, and thereby the manufacturers of salt in Cheshire and elsewhere, are shut out from the markets of that extensive country, or nearly so.

That the opening of the trade would materially benefit such manufacturers and others within such districts; and your Petitioners believe that the great saving in cost of salt, would lead to a much greater demand by the native population of India for the cotton and other goods of English manufacture, and thereby greatly benefit the whole commercial and trading interests of this country.

Your Petitioners therefore pray, that in any charter to be now granted to the East India Company, provision may be made that English salt may be imported into all parts of British India, upon the same terms and conditions as other goods and manufactures.

And your Petitioners will ever pray, &c.

THE humble Petition of the President, Vice-President, and Directors of the *Worcester* Chamber of Commerce,

Humbly sheweth,

THAT your petitioners are the executive of an association constituted for the purpose of protecting and promoting the commercial prosperity of this city and locality, and therefore feel a deep interest in the legitimate increase of the salt manufacture, carried on to a great extent in the adjoining ancient borough of Droitwich; inasmuch as the transit of salt for shipment at Gloucester and other ports for export forms the largest individual source of revenue to the Commissioners of the Severn Navigation, by whom a large sum has been already expended in the improvement of that river, and additional powers have been granted, during the present Session of Parliament, for a further expenditure, by which increased facilities for direct export will be obtained, whereby the traffic of the district will be largely developed.

That the manufacture of salt, admitting as it does of large extension from the inexhaustible springs of Worcestershire, is materially circumscribed from markets being virtually closed against British salt, to which, in the judgment of your petitioners, the manufacturers possess an indubitable claim for easy access; they would particularise the ports of British India, into which it appears to your petitioners that an enlightened and humane policy would provide for and encourage unfettered importation, on payment of a reasonable duty for revenue only, whereas the restrictions imposed by the Indian Government are made to protect a monopoly of its own of inferior salt, carried on, as your petitioners are advised, in direct violation of the Act 3 & 4 Will. 4, c. 85.

And in proof of the manifest injustice inflicted on the natives of India by the regulations, rigorously enforced by their rulers, relating to the article of salt, your petitioners adduce the enormous duty of nearly 300 per cent., calculated at the price for which a pure article could be delivered by the British maker into the store of the factor, now levied on all salt imported, by the operation of which oppressive imposts the many millions of unrepresented British subjects are taxed to the extent of at least one-tenth of the wages now paid for labour, and that large portion of the poor man's earnings the natives are compelled to pay for the purchase of a necessary condiment in the humble fare of that immense population.

That the obvious advantages to the shipping interest, in increased tonnage, by allowing the unrestricted import of salt into India, and the augmented demand created there for the manufactured goods of the United Kingdom in return, form elements in the consideration of the question deserving the serious attention of the Legislature.

For the foregoing, and other reasons which may be adduced, your petitioners humbly pray your Honourable House that, in the measure now before Parliament for the future government of India, provision may be made against the continuance of the unjust system which has heretofore prevailed in those dependencies of the British Crown in reference to the importation of salt and taxing regulations, by which so much physical suffering has been inflicted on our fellow-subjects there.

(signed) *Edward Evans*, Vice-President.

The

The humble PETITION of the *Bristol* Chamber of Commerce,

Appendix, No. 3.

Sheweth,

THAT, in the opinion of your petitioners, the salt tax imposed by the East India Company is cruel and oppressive towards the people under their rule, impolitic in a financial point of view, unjust and injurious to the manufacturing, commercial and shipping interests of this country, and inconsistent with the present policy of the Legislature.

That it appears, from information which has been made public, that the cost of salt to the East India Company is at the rate of one farthing per pound; that the Company add to that a profit at the rate of three-farthings per pound, and that the Company suffer the dealers to traffic in the article, so that eventually the cost to the consumer is about two-pence farthing per pound, or 21 pounds per ton. That the tax imposed by the Company on salt imported into India is equivalent to the profit of three-farthings per pound, which they add to the contract price of the salt manufactured for them in India, and the operations of the dealers enhance the price of the imported article to the consumer to the amount already stated, or thereabouts, and a monopoly is thus established, by means of which an extortionate price is obtained from the poor ryot of India for this prime necessary of life.

That the first cost of salt in this country does not exceed one-sixth that manufactured in India; that the price to the consumer here is but about 30*s.* per ton, instead of 21 *l.* per ton, as in India, and if it were necessary to abolish the salt tax at home some years since, it appears to your petitioners that the millions of Her Majesty's subjects of India have a much stronger claim for its remission in their case, wretchedly poor as they are, and essentially necessary as salt is to their daily sustenance, and to the prevention of disease in such a climate.

That it appears, from statistical accounts which have been published, that the quantity of salt consumed in India is less than one-half that consumed in this country, relatively to the populations, it being about 12*l.* per head per annum in the former, and 25 *l.* per head per annum in the latter.

That, but for the before-mentioned tax and monopoly, salt manufactured in England could be exported and sold in Calcutta at from 40*s.* to 44*s.* per ton, and the price would be reduced, by the breaking up of the monopoly, to about one-tenth the present rate to the consumer in India.

That the abrogation of the monopoly would tend greatly to benefit and give employment to the home manufacturers of the article, who are capable of producing an unlimited quantity, and also to the commercial, the shipping and the manufacturing interests generally.

Your petitioners therefore pray that your Honourable House will be pleased to take such measures as will ensure the abolition of this monopoly in the Bill now before your Honourable House relative to the East India Company's Charter, or if your Honourable House should deem it expedient to continue some tax on the article, that you will be pleased to place such restrictions on the Company and the dealers as will ensure the poor ryot of India having the full benefit of any reduction in the amount of the tax which you may be pleased to require.

Signed on behalf of the Bristol Chamber of Commerce,

James Bush, Chairman of the Committee.